

INFORMATION MEMORANDUM DATED 22 OCTOBER 2019



LA MONDIALE

EUR500,000,000 Perpetual Fixed Rate Resettable Restricted Tier 1 Notes

Issue Price: 100 per cent.

The EUR500,000,000 perpetual fixed rate resettable restricted Tier 1 notes (the **Notes**) of La Mondiale (**La Mondiale** or the **Issuer**) will be issued on 24 October 2019 (the **Issue Date**).

The obligations of the Issuer under the Notes in respect of principal, interest and other amounts, constitute (subject to certain limitations described in the "*Terms and Conditions of the Notes - Status of the Notes – Payment on the Notes in the event of liquidation of the Issuer*") direct, unconditional, unsecured and lowest ranking subordinated obligations of the Issuer, including bonds or borrowings, the subordination provisions of which are governed by the provisions of Article L. 228-97 of the French *Code de commerce*, and which rank and will rank (a) *pari passu* with all other present and future Deeply Subordinated Obligations of the Issuer, but (b) junior to all present and future *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer, Ordinary Subordinated Obligations of the Issuer, Senior Subordinated Obligations of the Issuer and Unsubordinated Obligations of the Issuer and (c) senior to all present and future Mutual Certificates of the Issuer as set out in the "*Terms and Conditions of the Notes - Status of the Notes*".

The Notes will bear interest on their Prevailing Principal Amount (i) from (and including) the Issue Date, to (but excluding) 24 October 2029 (the **First Reset Date**), at a fixed rate of 4.375 per cent. *per annum* payable semi-annually in arrear on 24 April and on 24 October in each year commencing on 24 April 2020, and (ii) from (and including) the First Reset Date, at the relevant Reset Rate of Interest payable semi-annually in arrear on 24 April and on 24 October in each year, commencing on 24 April 2030, as further specified in "*Terms and Conditions of the Notes – Interest*".

The Issuer may elect at any time to cancel (in whole or in part) any Interest Payment (as defined herein) otherwise scheduled to be paid on an Interest Payment Date and shall, save as otherwise permitted pursuant to the Conditions, cancel an Interest Payment upon the occurrence of a Mandatory Interest Cancellation Event (as defined herein) with respect to that Interest Payment. The cancellation of any Interest Payment shall not constitute a default or event of default for any purpose on the part of the Issuer. Any Interest Payment (or part thereof) which is cancelled in accordance with the Conditions shall not become due and payable in any circumstances.

Upon the occurrence of a Trigger Event (as defined herein), any interest which is accrued and unpaid up to (and including) the Write-Down Date (as defined herein) shall be automatically cancelled and the Issuer shall without the need for the consent of the Noteholders write-down the Notes by reducing the Prevailing Principal Amount (as defined herein). A Write-Down (as defined herein) of the Notes shall not constitute a default or an event of default in respect of the Notes or a breach of the Issuer's obligations or duties or a failure to perform by the Issuer in any manner whatsoever, and shall not entitle Noteholders to petition for the insolvency or dissolution of the Issuer or to take any other action. Following any reduction of the Prevailing Principal Amount, the Issuer may, at its discretion, increase the Prevailing Principal Amount of the Notes on any date and in any amount that it determines in its discretion (either to the Principal Amount or to any lower amount) provided that several conditions are met, as set out in "*Terms and Conditions of the Notes – Discretionary Reinstatement*".

The Notes do not contain any negative pledge or events of default.

The Issuer will have the right to redeem the Notes in whole, but not in part, at any time from the First Call Date to and including the First Reset Date or on any Interest Payment Date thereafter, as defined and further described in "*Terms and Conditions of the Notes - Redemption and Purchase - Optional Redemption from the First Call Date*". The Issuer may also, at its option and subject to Condition 6.9 ("*Redemption and Purchase – Conditions to Redemption and Purchase*"), redeem the Notes upon the occurrence of certain events, including a Gross-up Event, a Withholding Tax Event, a Tax Deductibility Event, a Regulatory Event, a Rating Methodology Event or if the conditions for Clean-up Redemption are met, all as further described in "*Terms and Conditions of the Notes - Redemption and Purchase*". All redemptions are subject to the Prior Approval of the Relevant Supervisory Authority.

Application has been made to Euronext Growth, a market of Euronext in Paris (**Euronext Growth**) for the Notes to be admitted to trading on Euronext Growth. Euronext Growth is a multilateral trading facility and is not a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended.

The Notes will be issued in bearer dematerialised form (*au porteur*) in the denomination of EUR100,000. The Notes will at all times be in book-entry form in compliance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier*. No physical documents of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France (**Euroclear France**) which shall credit the accounts of the Account Holders. **Account Holder** shall mean any financial intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking SA (**Clearstream**).

The Notes are expected to be rated BBB- by S&P Global Ratings Europe Limited (**S&P**). The Issuer's long-term senior unsecured debt is rated A- by S&P. S&P is established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended) (the **CRA Regulation**) and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website (www.esma.europa.eu/supervision/credit-rating-agencies/risk) as of the date of this Information Memorandum. A rating is not a

recommendation to buy, sell or hold securities and may be subject to revision, suspension, change or withdrawal at any time by the assigning rating agency.

IMPORTANT NOTICE

This information memorandum (the **Information Memorandum**) does not constitute a prospectus within the meaning of article 6.3 of and for the purpose of Regulation (EU) 2017/1129, as amended.

No such prospectus will be approved by the *Autorité des marchés financiers* for the purpose of the listing and admission to trading of the Notes on Euronext Growth.

The Notes shall only be offered to qualified investors (*investisseurs qualifiés*) within the meaning of Regulation (EU) 2017/1129, as amended.

Copies of this Information Memorandum will be available on the website of the Issuer (www.ag2ramondiale.fr).

Prospective investors should have regard to the risk factors described under the section headed "Risk Factors" in this Information Memorandum, in connection with any investment in the Notes.

Structuring Advisor

HSBC

Joint Bookrunners

HSBC

MORGAN STANLEY

NATIXIS

This Information Memorandum should be read and construed in conjunction with all documents incorporated by reference herein (see "Documents Incorporated by Reference").

Certain information contained in this Information Memorandum and/or documents incorporated herein by reference has been extracted from sources specified in the sections where such information appears. 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 the above sources, no facts have been omitted which would render the information reproduced inaccurate or misleading. The Issuer has also identified the source(s) of such information.

*References herein to the **Issuer** are to La Mondiale. References to the **Group** are to the Issuer, together with its fully consolidated subsidiaries taken as a whole. References to **SGAM** are to the combined group (groupe combiné) of SGAM AG2R La Mondiale Matmut (which shall be renamed SGAM AG2R La Mondiale subject to the approval of the Autorité de contrôle prudentiel et de résolution on 2 December 2019 and which includes, as of the Issue Date the combination of two perimeters, AG2R Prévoyance and La Mondiale) evolving from time to time.*

No person has been authorised to give any information or to make any representation other than those contained in this Information Memorandum 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 Joint Bookrunners (as defined in "Subscription and Sale"). Neither the delivery of this Information Memorandum nor any offering or sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or those of the Group since the date hereof or the date upon which this Information Memorandum has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or that of the Group since the date hereof or the date upon which this Information Memorandum has been most recently supplemented or that any other information supplied in connection with the issue of the Notes 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.

This Information Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Information Memorandum and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Joint Bookrunners do not represent that this Information Memorandum may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Joint Bookrunners which would permit a public offering of the Notes or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Information Memorandum nor any offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Information Memorandum comes are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restriction. In particular, there are restrictions on the distribution of this Information Memorandum and the offer or sale of Notes in the United States, the United Kingdom and France (see "Subscription and Sale").

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. 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. SUBJECT TO CERTAIN EXCEPTIONS, NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT IN TRANSACTIONS EXEMPT FROM OR NOT SUBJECT TO THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS. FOR A DESCRIPTION OF

CERTAIN RESTRICTIONS ON OFFERS AND SALES OF NOTES AND ON DISTRIBUTION OF THIS INFORMATION MEMORANDUM, SEE "SUBSCRIPTION AND SALE".

The Joint Bookrunners have not separately verified the information contained in this Information Memorandum. None of the Joint Bookrunners makes any representation, warranty or undertaking, express or implied, or accept any responsibility or liability, with respect to the accuracy or completeness of any of the information contained or incorporated by reference in this Information Memorandum or any other information provided by the Issuer in connection with the issue and sale of the Notes. Neither this Information Memorandum nor any information incorporated by reference in this Information Memorandum is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Joint Bookrunners that any recipient of this Information Memorandum or any information incorporated by reference should subscribe for or purchase the Notes. In making an investment decision regarding the Notes, prospective investors must rely on their own independent investigation and appraisal of the (a) the Issuer, the Group, its business, its financial condition and affairs and (b) the terms of the offering, including the merits and risks involved. The contents of this Information Memorandum are not to be construed as legal, business or tax advice. Each prospective investor should subscribe for or consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Notes. None of the Joint Bookrunners undertakes to review the financial condition or affairs of the Issuer or the Group after the date of this Information Memorandum nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Joint Bookrunners. Potential investors should, in particular, read carefully the section entitled "Risk Factors" set out below before making a decision to invest in the Notes.

Neither this Information Memorandum nor any other information supplied in connection with the issue and sale of the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or the Joint Bookrunners that any recipient of this Information Memorandum or any other information supplied in connection with the issue and sale of the Notes should purchase any Notes. Neither this Information Memorandum nor any other information supplied in connection with the issue and sale of the Notes constitutes an offer or invitation by or on behalf of the Issuer or the Joint Bookrunners to any person to subscribe for or to purchase any Notes.

MIFID II product governance / Professional investors and ECPs only target market - Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by the European Securities and Markets Authority (ESMA) on 5 February 2018, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); 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 manufacturers' 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 manufacturers' target market assessment) and determining appropriate distribution channels.

PRIIPs Regulation / Prohibition of sales to EEA retail investors - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU, 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.

In this Information Memorandum, unless otherwise specified or the context otherwise requires, references to € , Euro, EUR or euro are to the single currency of the participating member states of the European

Economic and Monetary Union which was introduced pursuant to the Treaty establishing the European Community, as amended.

TABLE OF CONTENTS

Section	Page
Risk Factors	7
General Description of the Notes	28
Information Documents Incorporated by Reference	43
Terms and Conditions of the Notes	44
Use of Proceeds	72
Description of the Issuer	73
Subscription and Sale	85
General Information	87
Persons responsible for the information contained in the Information Memorandum	90

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfill its obligations under the Notes. 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 the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should read the entire Information Memorandum. The following is a disclosure of risk factors that are material to the Notes in order to assess the market risk associated with these Notes and risk factors that may affect the Issuer's ability to fulfill its obligations under the Notes. Prospective investors should consider these risk factors before deciding to purchase Notes. The following statements are not exhaustive. Prospective investors should consider all information provided in this Information Memorandum and consult with their own professional advisers if they consider it necessary. In addition, investors should be aware that the risks described may combine and thus intensify one another. The occurrence of one or more risks may have a material adverse effect on the own funds, the financial position and the operating result of the Issuer.

Each of the risks highlighted below could have a material adverse effect on the business, operations, financial conditions or prospects of the Issuer or the Group, which in turn could have a material adverse effect on the amount of principal and interest which investors will receive in respect of the Notes. In addition, each of the risks highlighted below could adversely affect the trading price of the Notes or the rights of investors under the Notes and, as a result, investors could lose some or all of their investment.

Words and expressions defined in the section entitled "Terms and Conditions of the Notes" herein shall have the same meanings in this section. Expressions in this section such as "we", "our", "us" and any similar terms are a reference to the Issuer and/or the Group, as the case may be, unless the context requires otherwise.

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

RISK FACTORS RELATING TO THE ISSUER

The occurrence of any of the risks described below may affect the Issuer's capacity to repay, and/or adversely affect the market price of the Notes and lead to Noteholders suffering loss when they sell their Notes. Investors are therefore at risk of losing all or part of their investment.

1. Financial risks

La Mondiale and its Group are exposed to the following financial risks:

Market risks

The market risk affects the yield of the assets backing the own funds or the technical provisions of the Issuer. Market levels and returns on investment constitute a significant part of the overall profitability of the Group and fluctuations in financial markets may have a material effect on operating results.

Global debt and equity market have experienced historical levels of volatility and the outlook is uncertain. Any decline in the financial markets could have an adverse effect on the solvency, the financial situation, operating results and cash flow of the Issuer.

Risks related to fluctuations in interest rates

Fluctuations in interest rates may affect the valuation of investments held, the conditions of future investments and the solvency measurement.

During periods when interest rates are going up, the price of fixed income securities tends to decrease and gains on sale of such securities are lower or losses greater. A significant rise in interest rates could lead to buy-backs of savings contracts, even if the investment sensitive to interest rates (mainly bonds) may be at a loss. This could lead to the Issuer selling at loss in order to honour its buy-backs.

If the interest rates are low for a long time, investment could be affected in a sense that it would not match the liability requirement. A sustainable maintenance of interest rates at low levels may lead to a significant decrease in the return of investment assets due to future investments at this low level.

A combination of sustained near zero or negative interest rates for the shortest maturities followed by a significant increase of these interest rates could lead to a negative impact on the financial situation and solvency of the Issuer or the SGAM. This risk could also have an impact on the liquidity and cash levels of the Issuer.

As at 31 December 2018, a 50 basis points decrease in the interest rates would have had a negative impact of 14 points on the SGAM's solvency ratio, while a 50 basis points increase would have resulted in a positive impact of 13 points increase of the solvency ratio. As at 30 June 2019, the regulatory solvency ratio of the SGAM was 185%. In current market conditions with low interest rates, this risk is considered to be "very significant".

Risks related to the variations in the value of investment assets

Likewise, the yield on assets representing technical commitments is key in the definition of beneficiary participations attributed to the policy holders.

A reduction in the value of the investment assets could impact the capacity of the Issuer to achieve capital gains and could even lead to impairment of certain assets. This could therefore have an impact on the future yields of the assets, with a loss of competitiveness, such as an increase in redemption rates. Such a development could also have unfavourable impacts on the solvency of the Issuer or the solvency determination.

Variations in interest rates and returns on equity markets may also have an impact on policy holders' behaviour. This phenomenon is particularly seen in the life insurance, pensions and savings business.

In addition, La Mondiale invests part of its assets in shares and funds, which are generally exposed to volatility risks. The percentage of the Issuer's investment portfolio (excluding unit-linked investments) invested in shares and funds as at 30 June 2019 was 8,8%.

Investment risk on life insurance portfolios is sometimes borne by the policyholders in the case of unit-linked life insurance policies. In these cases, fluctuations of the price of underlying securities will directly or indirectly affect the financial results of the life insurance business operations. Furthermore, such fluctuations could affect the solvency of the Group, in particular the level of unrealised gains eligible to cover the solvency capital requirement. As at 30 June 2019, the solvency capital ratio of the Issuer amounts to 229 % (with impact of transitional on technical provisions) as of 30 June 2019.

Currency risk

This risk relates to the sensitivity of assets to changes in the currency in which assets are recorded on the balance sheet. Since the bonds denominated in foreign currencies held by La Mondiale are hedged, La Mondiale mainly faces this risk since it holds equity assets denominated in U.S. dollars, Yen, Sterling, Swiss Francs and other currencies.

Credit risk

La Mondiale is mainly exposed to credit risk through its financial assets, and securities lending.

This risk relates to the potential negative fluctuation in the value of financial assets on the credit quality of the Issuer. Such negative fluctuations could impact the Issuer's ability to generate capital gains on the financial assets it holds and could lead the Issuer to set impairment to cover this risk.

A negative fluctuation in the value of financial assets could have an impact on their future yield, which could result in a loss of competitiveness of the Issuer affecting the behaviour and commercial choice of insured clients.

Counterparty risk

La Mondiale is exposed to counterparty risk with third parties, mainly financial institutions, with which it enters into various financial transactions.

The failure of any of its counterparties could have an effect on the financial situation of the Issuer but could also generate significant liquidity problems and cause other institutions to default.

The stability of financial institutions depends greatly on the trends in the markets. This risk can adversely affect the financial intermediaries, banks and depositories with which La Mondiale operates on a daily basis and which may therefore adversely affect its income, profit and solvency.

Liquidity risk

There is a risk that La Mondiale cannot sell a financial asset at its true value or cannot sell it at all. La Mondiale also faces the risk that it cannot meet its obligations, such as being able to reimburse the policy holders requesting it.

2. Insurance risks

The Issuer and the Group are exposed to the following insurance risks:

Pricing risk

This risk may arise as a result of premiums being too low to meet the commitments (risk of wrong assessment of the characteristics of the policy holder risk, risk of wrong evaluation of the premium). The launch of new products or changes to existing products may lead to the occurrence of this type

of risk. The occurrence of such a risk could negatively affect the financial results and solvency of the Issuer.

Provision risk

This risk may arise if insufficient provision is made to meet commitments due to wrong assessment of available data, subsequent modification of the risk factors or inappropriate calculation parameters. In particular:

- raising social security retirement age could lead to insufficient provision for disability benefits because disability benefits expire – and are assessed based on – social security retirement age; and
- cutting social security benefits could lead to insufficient provision because La Mondiale would have to compensate policyholders for such cuts.

The occurrence of such a risk could negatively affect the financial results and solvency of the Issuer.

Disaster risk

This risk relates to the sudden occurrence of a disastrous event affecting the population insured by the Issuer (e.g. pandemics, terrorist attacks). The occurrence of such events could significantly impact the corresponding cost to cover certain risks, lead to a sudden increase in health and welfare expenses and increase above expectations the amounts of benefits related to death that are distributed to insured parties. The occurrence of such a risk could negatively affect the activity, financial results, prospects and solvency of the Issuer. It could also negatively affect the liquidity and cash levels of the Issuer.

Longevity, mortality and morbidity risk

The Issuer may be affected by significant changes in statistics of longevity, mortality or morbidity of its policyholders.

Longevity risk, which is the most significant risk compared to mortality and morbidity risks, is the risk that the number of deaths are less than expected could lead the Issuer to distribute retirement or incapacity pensions to its insured clients for a period of time longer than expected.

Mortality risk which is the risk that the number of deaths is higher than expected could have an impact on savings portfolios and generate a significant decrease of the outstanding commitments resulting in a loss of revenues for the Issuer. The occurrence of mortality risk could also generate higher benefits related to death insurances.

Morbidity risk which is the risk that diseases are different than the ones expected could, aside from having an impact on mortality and longevity, have an impact on incapacity and invalidity rates leading them to be different than expected.

The assessment of these risks is at the centre of underwriting in health and protection insurance, and may have an impact on the pricing and the provisions made by La Mondiale. The occurrence of such risks may expose La Mondiale to greater than expected liabilities, which may have a material adverse effect on its income, profit and solvency.

Surrender risk

Savings contracts include a surrender clause allowing policyholders to request reimbursement of all or part of their accumulated savings. La Mondiale is exposed to the risk of surrender volumes being

higher than the forecasts used for asset liability management purposes, which may force the Issuer to sell assets at a loss.

Lapse and transfer risk

The Issuer may in the future be affected by significant changes in lapse of life insurance, pension and saving contracts or by transfer of group pension contracts to another insurer. This risk could negatively affect the liquidity and cash levels of the Issuer.

Reinsurance risk

La Mondiale has exposure to its reinsurers through its reinsurance treaties. In such treaties, the other insurers assume part of the cost, losses and expenses associated with incidents, and losses whether or not carried over, in exchange for a proportion of the premiums. The ability to make a claim under, and the amount and cost of, the reinsurance depends on general market conditions and may vary significantly. Any decrease in the amount of reinsurance cover purchased will increase the risk of loss for La Mondiale. When reinsurance is put in place, La Mondiale remains liable for transferred risks if the reinsurer does not fulfil its obligations. Default by a reinsurer could therefore affect La Mondiale's profits and financial situation.

3. Operational risks

The Group defines operational risk as the risk of loss due to inappropriate or failure of procedures, individuals or systems or loss resulting from external events.

Operational risks can be classified into the following categories:

- Risk of internal or external fraud: from an employee or a third party, whether a customer, a beneficiary or a partner. The Group has introduced controls and procedures in the most vulnerable areas but this shall not mitigate all risks.
- Human resources and skills risks: this relates to the inadequacy between the available skills and the needs (key-men, training), errors in setting hiring, salaries and careers management policies, social relations in relation to employees representation or negotiation processes.
- The risks relating to information systems which include risks relating to the planning of systems development, risk of design, development and maintenance of applications, risks attached to the use of applications and softwares.
- Risks attached to the conduct of operations: information reliability, compliance of procedures, reliability of deliverables, human errors and monitoring of activities.
- Risks relating to operational organisation: this relates to the inadequacy between the strategy and the organisation of the Issuer, the inefficiency of defined processes or inappropriate definition of interfaces.
- Security risks: continuity and resuming activities (establishment of a business continuity plan), security relating to information systems, goods and individuals.
- Risks relating to outsourcing and suppliers: dysfunction or termination of commercial relations with a sub-contractor, contractualisation and compliance of obligations.
- Commercial and partnership risks: risks regarding the default of a partner, the sharing of responsibilities, commissioning, products distribution, knowledge of clients' needs and ethics.

- Development risks: adequacy between offer and the market, internal or external growth, risks relating to external communications.
- Risks relating to the sector: risks regarding competition or the evolution of the sector, reputational risks relating to relations with clients and third parties.
- Risks relating to professional conduct: failure to comply with professional conducts when dealing with clients. La Mondiale closely follows and has implemented the ethical principles of the *Fédération Française de l'Assurance* and the *Autorité des marchés financiers*.
- Risk of not having carried out all possible research to correctly identify beneficiaries of unclaimed policies.
- Risks relating to money laundering: La Mondiale has set up anti-money laundering policies in order to efficiently prevent money laundering but this shall not mitigate all risks.
- Insurance and risk hedging: La Mondiale has set up and periodically updates an insurance program to protect its assets. Subscribed insurance policies relate to insurances regarding damage to goods, civil liability insurances and individuals insurances. The subscribed insurances and levels of self-insurance vary depending on the activities, the size and claim rates of the related entities.
- Cybercrime risk: La Mondiale, like other companies, faces the risk of the inadequate adaption to new technologies and their operational implications (digitalisation, dematerialisation of processes, etc.), and in particular the risk of cybercrime. A cyber-attack on its information systems could have the following prejudicial consequences to the Issuer: the disclosure of sensitive and personal data relating to insured persons (eg, bank details, medical data), the deterioration of the Issuer's image, a loss of confidence on the part of the insured persons and potential judicial, administrative and/or disciplinary sanctions, which could result in a decline in turnover and profit.

4. The risk management policies, procedures and methods may leave La Mondiale exposed to unforeseen or unidentified risks.

The Group has engaged significant resources to develop evaluation policies, procedures and methods to manage operational, liquidity, credit and market risks and plans to continue making efforts in this direction in the future.

However the Group's risk management strategies and techniques may not be entirely effective in mitigating exposure to risk in all market environments or against all types of risks, including those risks that the Group has not yet identified or anticipated.

If potential or existing customers believe that the risk management procedures and policies of the Group are not appropriate, the Issuer's reputation as well as its revenues and profits may be adversely affected.

5. Other strategic or legal risks

A downgrade in La Mondiale rating may increase policy cancellations and non-renewals, adversely affect relationships with distributors and negatively impact new business.

The insurer financial strength rating of La Mondiale is an important factor in establishing and maintaining its competitive position. The rating agency regularly reviews the Issuer's rating. Future downgrades in the rating (or the potentiality of such a downgrade) could, among other things, materially increase (mainly regarding collective supplementary pension business) the number of

policy cancellations and non-renewals, adversely affect relationships with the distributors of its products and services, including new sales of its products, and negatively impact the level of its premiums and adversely affect its ability to obtain reinsurance at reasonable prices or at all. This could adversely affect its businesses, financial condition, results of operations and its cost of capital.

Changes in government policy, regulation or legislation in the countries in which La Mondiale operates may affect its profitability.

La Mondiale is subject to extensive regulation and supervision in the jurisdictions in which it does business. This includes, notably, matters relating to licensing and examination, rate setting, trade practices, policy reforms, limitations on the nature and amount of certain investments, underwriting and claims practices, mandated participation in shared markets and guarantee funds, adequacy of its claims provisions, capital and surplus requirements, insurer solvency, transactions between affiliates and underwriting standards. Such regulation and supervision is primarily for the benefit and protection of policyholders and not for the benefit of investors. In some cases, regulation in one country may affect business operations in another country. As the amount and complexity of these regulations increase, the cost of compliance and the risk of non-compliance will also increase. If La Mondiale does not meet regulatory or other requirements, La Mondiale may suffer penalties including fines, suspension or cancellation of its insurance licenses which could adversely affect its ability to render its services and do business. In addition, significant regulatory action against it could have material adverse financial effects, cause significant reputational harm or harm its business prospects.

In addition, La Mondiale may be adversely affected by changes in governmental policy or legislation applying to companies in the insurance industry. These changes include possible changes in regulations covering pricing and benefit payments for certain statutory classes of business, the deregulation and nationalization of certain classes of business, the regulation of selling practices, the regulations covering policy terms and the imposition of new taxes and assessments or increases in existing taxes and assessments. Regulatory changes may affect its existing and future businesses by, for example, causing customers to cancel or not renew existing policies or requiring it to change its range of products or to provide certain products (such as terrorism or flood cover where it is not already required) and services, redesign its technology or other systems, retrain its staff, pay increased tax or incur other costs. It is not possible to determine what changes in governmental policy or legislation will be adopted in any jurisdiction in which La Mondiale operates and, if so, what form they will take or in what jurisdictions they may occur. Insurance laws or regulations that are adopted or amended may be more restrictive than the Issuer's current requirements, may result in higher costs, lead to the standardization of offers, or limit its growth, which could lead to a termination risk and a change in behaviour of insured persons of the Issuer or otherwise adversely affect its operations.

Significant legal proceedings and litigation may adversely affect La Mondiale's business, financial condition and results of operations.

All insurance companies are exposed to litigation relating to claims on policies they underwrite. Accordingly, La Mondiale is currently involved in such legal proceedings relating to claims lodged by policyholders, some of which involve claims for substantial damages and other relief. Judicial decisions may expand coverage beyond the Issuer's pricing and reserving assumptions by widening liability on its policy wording or by restricting the application of policy exclusions. There can be no assurance that the outcome of any of its judicial proceedings will be covered by its existing provisions for outstanding claims or its reinsurance protections or that litigation would not otherwise have a material adverse effect on its businesses, financial condition and results of operations.

The provisions for litigation as at 31 December 2018 were of 13.9 million euros as set out in note 5.13.1 of the consolidated financial statements included the 2018 Financial Report (as defined in section “Information Incorporated by Reference”).

Changes in tax laws and regulations, including elimination of tax benefits for the Issuer’s products, may adversely affect sales of its insurance and investment advisory products, and also impact its deferred tax assets and liabilities.

Changes to tax laws and regulations may affect the attractiveness of certain of the Issuer’s products, which currently have favourable tax treatment. From time to time, governments in the jurisdictions in which La Mondiale operates, consider or implement proposals for changes in tax law that could adversely affect the attractiveness of the insurance, asset management and other products La Mondiale offers to its clients. In addition, changes in tax laws or regulations or an operating performance below currently anticipated levels may lead to an impairment of deferred tax assets, in which case La Mondiale could be obligated to write off certain tax assets. Tax assets may also need to be written down if certain assumptions of profitability prove to be incorrect, as losses incurred for longer than expected will make it more unlikely that La Mondiale would be able to use its tax assets. Any such changes could be detrimental to its results of operations, financial condition and liquidity, and could impact the costs and profitability of its transactions.

La Mondiale’s businesses, and therefore its results of operations, financial condition and profitability may be adversely affected by the disruption in the global financial markets, general economic conditions and competition.

The year 2018 was marked by slower world growth, low inflation, risk of a hard Brexit, political tensions between Italia and the Euro Zone and economical tensions between China and the United States. Central banks started a gradual normalisation of monetary policy. The Federal Reserve Bank raised its key rate five times to 2.5% at the end of 2018. The European Central Bank ceased its covered bond purchase programme at the end of 2018 (while continuing its reinvestments). On financial markets, sovereign rates continued to decrease, equity markets under-performed (often double-digit declines) and credit spreads widened.

In Europe, the year 2019 should be marked by the pursuit of an accommodating monetary policy and the resumption of asset purchases by the European Central Bank (raising a high liquidity level) in a context of an increasing uncertainty (energy price trend, currency risks, limited growth, Brexit, situation in Italia, economical tensions between China and the Unites-States, geopolitical tensions, etc.). In France, growth should be sustained by purchasing power policies, employment growth and business investments (1.7% in 2018 and almost 1.3% in 2019).

In the light of these factors and despite a very favourable development of risky assets and a substantial decline in the sovereign rates in the first half of 2019, the Issuer does not exclude that in upcoming quarters, a high volatility of equity markets, a further decline of the Euro currency and a spread widening for Euro corporates may impact the Issuer’s business, financial condition, results of operations and profitability in future periods.

The performance of La Mondiale is affected by general economic conditions

The performance of La Mondiale is affected by changes in economic conditions, both globally and in France. Unpredictable developments also affect the industry's profitability, including changes in competitive conditions and pricing pressures, unforeseen developments in loss trends, market acceptance of new coverages, changes in operating expenses, fluctuations in inflation and interest rates and other changes in investment markets that affect market prices of investments and income from such investments. This may have a material adverse effect on La Mondiale’s income, profit and

solvency. Accordingly, its results of operations may be adversely impacted if actual experience differs from the management's estimates.

Competition risk

The various markets on which the Issuer does business are subject to substantial competition in France. The recent consolidation in the global financial services industry has also enhanced the competitive position of some of its competitors compared to the Issuer by broadening the range of its products and services, and increasing their distribution channels.

La Mondiale's competitors include other insurance companies and mutual fund companies, asset management firms and commercial and investment banks, many of which are regulated differently than the Issuer is and may be able to offer alternative products or more competitive pricing than La Mondiale.

As an insurance company, La Mondiale is significantly influenced by the adequacy of premium income relative to its risk profile and claims exposure, as well as the general level of business costs. In addition, development of alternative distribution channels for certain types of insurance products, including through Internet may result in increasing competition as well as pressure on margins for certain types of products. These competitive pressures could result in particularly as competitors seek to win market share, which could harm La Mondiale's ability to market certain products profitably.

6. Regulations relating to solidarity requirements, technical reserves, and other requirements for insurance companies are changing, the effect of such changes is uncertain

The Société de Groupe d'Assurance Mutuelle (SGAM) structure could imply the Issuer's participation in the financial solidarity mechanism

La Mondiale is a member of SGAM (as defined in the Issuer's description), under which structure it has committed to financial solidarity with the members of SGAM as described under "Description of the Issuer". La Mondiale's financial position and solvency could be impacted should it be requested to participate in such financial solidarity. That solidarity is not capped to a maximum amount of La Mondiale's consolidated equity capital, as long as it does not prevent La Mondiale from fulfilling its regulatory requirements.

Decrease in technical rates

The technical balances have been substantially affected by the decrease of long term rates, lowering the technical rate of provisions calculated on the basis of the average of long term rates over two years and which have kept, for the entire collective welfare sector, an important record of provisions in recent years. It is possible that a new decrease in technical rates could be observed and have an impact on results, balance sheet and solvency.

Regulatory actions against the Issuer or an insurer in the Group in the event of resolution could materially adversely affect the value of the Notes

On 28 November 2017, the ordinance no 2017-1608 of 27 November 2017 (the **Ordinance**) establishing a resolution framework for insurers (*Ordonnance no 2017-1608 du 27 novembre 2017 relative à la création d'un régime de résolution pour le secteur de l'assurance*) was published, setting out the French legal framework providing effective resolution strategies for French insurers, which applies as from 1st July 2019.

The Ordinance is designed to provide the French supervision authority i.e. the *Autorité de contrôle prudentiel et de résolution* (the **ACPR**) with a credible set of tools to intervene in an institution

which is failing or likely to fail (as defined in the Ordinance) so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system.

The Ordinance currently contains resolution tools which could be applied to La Mondiale or any insurer within its Group: bridge institution, asset separation, intervention of an administrator (*administrateur de résolution*).

The implementation and applicability to the Issuer, the Group or the taking of any action pursuant to it could materially affect the rights of the holders of the Notes, the activity and financial condition of the Issuer and the Group, the value of the Notes and could lead to holders losing some or all of the value of their investment in such Notes.

Where the statutory conditions for use of resolution powers have been met, the ACPR would be expected to exercise the powers without the consent of holders of the Notes.

For the avoidance of doubt, the resolution powers do not contain any bail-in power as for credit institutions under the bank recovery and resolution directive.

RISK FACTORS RELATING TO THE NOTES

In addition to the risks relating to the Issuer (including the default risk) that may affect the Issuer's ability to fulfill its obligations under the Notes, there are certain factors which are material for the purpose of assessing the risks associated with an investment in the Notes.

1. General Risks relating to the Notes

Independent review and advice.

Each prospective investor in the Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

Each prospective investor should consult its own advisers as to legal, tax and related aspects of an investment in the Notes. A prospective investor may not rely on the Issuer or the Joint Bookrunners or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Legality of purchase.

Neither the Issuer nor the Joint Bookrunners nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor, 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.

Modification and waiver.

The Terms and Conditions of the Notes contain provisions for Noteholders to consider matters affecting their interests generally to be adopted either through a general meeting or by unanimous consent following a written consultation. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant general meeting, and

Noteholders who voted in a manner contrary to the majority. General meetings or written consultations may deliberate on any proposal relating to the modification of the conditions of the Notes subject to the limitations provided by French law.

Regulatory and legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

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 such tax overview contained in this Information Memorandum but should 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 this adviser is in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Information Memorandum.

Change of law.

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

French insolvency law.

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the **Assembly**) in order to defend their common interests if a safeguard procedure (*procédure de sauvegarde*), an accelerated safeguard procedure (*procédure de sauvegarde accélérée*), an accelerated financial safeguard 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 comprises holders of all debt securities issued by the Issuer (including the Notes) and regardless of their governing law.

The Assembly deliberates on the draft safeguard plan (*projet de plan de sauvegarde*), draft accelerated safeguard plan (*projet de plan de sauvegarde accélérée*), draft accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Noteholders) by rescheduling and/or writing-off debts;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or

- decide to convert debt securities (including the Notes) into shares or securities that give or may give access to share capital.

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

In addition, Noteholders should be aware that the receiver (*administrateur judiciaire*) is allowed to take into account the existence of voting or subordination agreements entered into by a holder of notes, or the existence of an arrangement providing that a third party will pay the holder's claims, in full or in part, in order to reduce such holder's voting rights within the Assembly. The receiver must disclose the method to compute such voting rights and the interested holder may dispute such computation before the president of the competent commercial court. These provisions could apply to a Noteholder who has entered into a hedging arrangement in relation to the Notes.

The commencement of insolvency proceedings against the Issuer would have a material adverse effect on the market value of Notes issued by the Issuer. Any decisions taken by the Assembly or a class of creditor, as the case may be, could negatively impact the Noteholders and cause them to lose all or part of their investment, should they not be able to recover amounts due to them from the Issuer.

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 Information Memorandum will not be applicable in these circumstances.

Exchange rate risks and exchange controls.

The Issuer will pay principal and interest on the Notes in EUR. 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 EUR. These include the risk that exchange rates may significantly change (including changes due to devaluation of EUR 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 EUR would decrease (a) the Investor's Currency-equivalent yield on the Notes, (b) the Investor's Currency equivalent value of the principal payable on the Notes and (c) the Investor's Currency-equivalent market value of the Notes.

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

Liquidity risks and market value of the Notes.

The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors such as general economic conditions, political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes or the reference rate are traded, the financial condition and the creditworthiness of the Issuer and/or the Group, and the value of any applicable reference rate, as well as other factors such as the complexity and volatility of the reference rate, the method of calculating the return to be paid in respect of such Notes, the outstanding amount of the Notes, any redemption features of the Notes and the level, direction and volatility of interest rates generally. Such factors also will affect the market value of the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and in certain circumstances such investors could suffer loss of their entire investment.

No active secondary market.

The Notes may be designed for specific investment objectives or strategies and therefore may have a more limited secondary market and experience more price volatility than conventional debt securities.

In addition, investors may not be able to sell Notes readily or at prices that will enable investors to realise their anticipated yield. No investor should purchase Notes unless the investor understands and is able to bear the risk that the Notes will not be readily sellable, that the value of Notes will fluctuate over time and that such fluctuations will be significant.

The price at which a Noteholder will be able to sell the Notes prior to redemption by the Issuer may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. The Issuer or its subsidiaries are entitled to buy the Notes, which shall then be cancelled or caused to be cancelled, and to issue further Notes which may or may not be assimilated to the Notes. Such transactions may favorably 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.

2. Risks relating to the structure of the Notes

The Notes are subordinated obligations of the Issuer.

The obligations of the Issuer under the Notes in respect of principal, interest and other amounts, constitute direct, unconditional, unsecured Deeply Subordinated Obligations and rank and will rank (a) *pari passu* with all other present and future Deeply Subordinated Obligations of the Issuer, but (b) junior to all present and future *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer, Ordinary Subordinated Obligations of the Issuer, Senior Subordinated Obligations and Unsubordinated Obligations of the Issuer and (c) senior to all present and future Mutual Certificates of the Issuer.

If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) or, following an order of judicial rehabilitation (*redressement judiciaire*), the sale of the whole business (*cession totale de l'entreprise*) of the Issuer, or if the Issuer is liquidated for any reason, the rights of the Noteholders in respect of principal, interest (including any outstanding Additional Amount) will be subordinated to the payments of claims of other creditors of the Issuer (other than claims subordinated to the Notes or ranking *pari passu* with the Notes) including insurance companies and entities referred to in article R.322-132 of the French *Code des assurances* reinsured by the Issuer, and holders of insurance policies issued by such entities and creditors with respect to Unsubordinated Obligations, Senior Subordinated Obligations, Ordinary Subordinated Obligations, any *prêts participatifs* and *titres participatifs* granted to the Issuer but paid in priority to payments to holders of Mutual Certificates.

In the event of incomplete payment of creditors ranking senior to holders of the Notes (in the context of voluntary or judicial liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer) the obligations of the Issuer in connection with the Notes and related interest will be terminated.

Thus, the Noteholders face a higher performance risk than holders of Unsubordinated Obligations of the Issuer.

The Notes are of perpetual nature.

The Notes have no fixed final redemption date and Noteholders have no right to call for the redemption of such Notes except if a judgment is issued for judicial liquidation (*liquidation*

judiciaire) or if the Issuer is liquidated for any reason. Although the Issuer may redeem such Notes in certain circumstances there are limitations on its ability to do so.

Therefore, Noteholders should be aware that they may be required to bear the financial risks of an investment in such Notes for an indefinite period of time.

The Issuer may and in certain circumstances is required to cancel Interest Payments – Cancelled interest payments shall not be due and shall not accumulate or be payable at any time thereafter and Noteholders shall have no rights thereto.

On any Optional Cancellation Interest Payment Date (as defined in the Terms and Conditions of the Notes), the Issuer may, at its option, elect to cancel payment of all or part of the interest accrued to that date, and the Issuer shall not have any obligation to make such payment and any failure to pay shall not constitute a default by the Issuer for any purpose. It is the Issuer's current intention that, whenever exercising its discretion to cancel interest on the Notes, the Issuer will take into account, among other factors, the relative ranking of these instruments in the capital structure. However, the Issuer may depart from this approach at any time in its sole discretion, and under the Conditions interest amounts on the Notes could conceivably be cancelled.

In addition, on any Mandatory Cancellation Interest Payment Date (as defined in the Terms and Conditions of the Notes), the Issuer will be obliged to cancel payment of all or part (as applicable) of the interest accrued in respect of the Notes to that date (and any such non-payment shall not constitute a default or an event of default by the Issuer for any purpose), provided however that the relevant Interest Payment shall not be cancelled on a Mandatory Cancellation Payment Date in whole or in part (as applicable) in relation to such Interest Payment (or such part thereof) if, cumulatively:

- (i) the Mandatory Interest Cancellation Event is of the type described in paragraph (i) of the definition of Mandatory Cancellation Interest Payment Date;
- (ii) the Relevant Supervisory Authority has exceptionally waived the cancellation of the Interest Payment;
- (iii) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that payment of the Interest Payment would not further weaken the solvency position of the Issuer or SGAM; and
- (iv) the Minimum Capital Requirement will be complied with immediately following such Interest Payment, if made.

Any interest which is not paid on any Interest Payment Date will not accumulate or be payable at any time thereafter, and such non-payment will not constitute a default or an event of default by the Issuer for any purpose, and shall not give Noteholders any right to accelerate the Notes.

The cancellation of any interest payment may affect the market value of an investment in the Notes.

Notes may be traded with accrued interest which may subsequently be subject to cancellation.

The Notes may trade, and/or the prices for the Notes may appear, in trading systems with accrued interest. Purchasers of Notes in the secondary market may pay a price which reflects such accrued interest on purchase of the Notes. If an Interest Payment is cancelled (in whole or in part), a purchaser of Notes in the secondary market will not be entitled to the accrued interest (or part thereof) reflected in the purchase price of the Notes.

The level of the Issuer's Distributable Items is affected by a number of factors, and insufficient Distributable Items will restrict the Issuer's ability to make interest payments on the Notes.

Interest on the Notes may only be paid out of the Issuer's Distributable Items (as defined in the "Terms and Conditions of the Notes").

The level of the Issuer's Distributable Items is affected by a number of factors, principally its ability to receive funds, directly or indirectly, from its operating subsidiaries in a manner which creates Distributable Items. Consequently, the future Distributable Items, and therefore the Issuer's ability to make Interest Payments on the Notes, are a function of the existing Issuer's Distributable Items, future Group profitability and performance and the ability to distribute or dividend profits from the Issuer's operating subsidiaries up the Group structure to the Issuer. In addition, the Issuer's Distributable Items will also be reduced by the servicing of other debt instruments and payments made on equity instruments as further described in the risk factor entitled "*The Issuer may and in certain circumstances is required to cancel Interest Payments – Cancelled interest payments shall not be due and shall not accumulate or be payable at any time thereafter and Noteholders shall have no rights thereto*".

The ability of the Issuer's operating subsidiaries to pay dividends and the Issuer's ability to receive distributions and other payments from the Issuer's investments in other entities is subject to applicable local laws and other restrictions, including their respective regulatory, capital and leverage requirements, statutory reserves, financial and operating performance and applicable tax laws, and any changes thereto. These laws and restrictions could limit the payment of dividends, distributions and other payments to the Issuer by the Issuer's operating subsidiaries, which could in time restrict the Issuer's ability to fund other operations or to maintain or increase the Issuer's Distributable Items. The Issuer's Distributable Items as of 30 June 2019 amount to EUR 1.1 billion.

No restriction on distributions.

The Terms and Conditions of the Notes do not contain any restriction on the ability of the Issuer to distribute reserves or profits. This could decrease the profits that are available for distribution and therefore increase the likelihood of a cancellation of payments of interest.

The principal amount of the Notes may be reduced to absorb losses and Noteholders may lose all or some of their investment as a result of a Write-Down.

If a Trigger Event has occurred then the Issuer shall write-down each Note by reducing the Prevailing Principal Amount of such Note (in whole or in part, as applicable) by the Write-Down Amount on the Write-Down Date in accordance with the Write-Down procedure as further described in the "*Terms and Conditions of the Notes – Principal Loss Absorption*". Investors should note that, in the case of any such reduction to the Prevailing Principal Amount of each Note pursuant to the "*Terms and Conditions of the Notes – Principal Loss Absorption*", the Issuer's determination of the relevant amount of such reduction shall be binding on the Noteholders.

The Issuer's current and future outstanding junior securities might not include Write-Down or similar features with triggers comparable to those of the Notes. As a result, it is possible that the Notes will be subject to a Write-Down, while other junior securities remain outstanding and continue to receive payments.

The Issuer may determine that a Trigger Event has occurred on more than one occasion and each Note may be Written-Down on more than one occasion, it being specified that the Prevailing Principal Amount of a Note can be reduced to EUR 0.01.

Discretionary Reinstatement may apply at the full discretion of the Issuer, provided that certain conditions are met. However, Condition 7.3 (*Discretionary Reinstatement*) in relation to

Discretionary Reinstatement shall not apply to the extent that the existence of such provision would cause the occurrence of a Regulatory Event. The Issuer's ability to write-up the Principal Prevailing Amount of the Notes will depend on several conditions. No assurance can be given that these conditions will be met and, that the Discretionary Reinstatement will not be disapplied including in the near future given the uncertainty as to how regulators interpret the current regulatory framework on reinstatement. In addition, the Issuer will not in any circumstances be obliged to write-up the Principal Prevailing Amount of the Notes. Any decision by the Issuer to effect or not to effect any Discretionary Reinstatement on any occasion shall not preclude it from effecting or not effecting any Discretionary Reinstatement on any other occasion.

In addition, in the event of voluntary or involuntary liquidation (*liquidation amiable* or *liquidation judiciaire*) of the Issuer, Noteholders' claims for principal will be based on the reduced Prevailing Principal Amount of the Notes. Further, if the Prevailing Principal Amount of the Notes has been Written-Down, interest shall accrue on such Written-Down Prevailing Principal Amount in accordance with the Terms and Conditions as from the relevant Write-Down Date and the Notes will be redeemable for tax reasons, or upon a Rating Event or a Regulatory Event at the Prevailing Principal Amount, which will be lower than the Principal Amount.

The SCR Ratio and Minimum Capital Requirement Ratio will be affected by the Issuer's and/or SGAM's business decisions and, in making such decisions, the Issuer's interests may not be aligned with those of the Noteholders.

The SCR Ratio and Minimum Capital Requirement ratio could be affected by a number of factors. They will also depend on the Group's (or SGAM's) decisions relating to its businesses and operations, as well as the management of its capital position. The Issuer will have no obligation to consider the interests of the Noteholders in connection with the strategic decisions of the Group, including in respect of capital management. Noteholders will not have any claim against the Issuer or any other member of the Group relating to decisions that affect the business and operations of the Group or SGAM, including its capital position, regardless of whether they result in the occurrence of a Trigger Event. Such decisions could cause Noteholders to lose all or part of the value of their investment in the Notes.

The occurrence of the Trigger Event may depend on factors outside of the Issuer's control.

A Trigger Event shall occur if the Issuer determines that any of the following has occurred: (a) the amount of own funds eligible to cover the solvency capital requirement of the Issuer, or SGAM (as the case may be) determined under the relevant rules is equal to or less than 75 per cent. of the Solvency Capital Requirement; or (b) the amount of own funds eligible to cover the Minimum Capital Requirement of the Issuer, or SGAM (as the case may be) determined under the relevant rules is equal to or less than the Minimum Capital Requirement; or (c) the amount of own funds eligible to cover the Solvency Capital Requirement of the Issuer or SGAM (as the case may be) has been less than the Solvency Capital Requirement (but not less than 75%) for a continuous period of three months (commencing on the date on which non-compliance with such Solvency Capital Requirement was first observed).

The occurrence of a Trigger Event and, therefore, Write-Down is to some extent unpredictable and depends on a number of factors, some of which may be outside of the Issuer's control, including actions that the Issuer is required to take at the direction of the Relevant Supervisory Authority and regulatory changes. Accordingly, the trading behaviour of the Notes may not necessarily follow the trading behaviour of other types of subordinated securities, including the Issuer's other subordinated debt securities. Any indication that the Issuer or SGAM may be at risk of failing to meet its Solvency Capital Requirement or Minimum Capital Requirement may have an adverse effect on the market price and liquidity of the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with proceeds sufficient to provide a yield comparable to other types of subordinated securities, including the Issuer's other subordinated debt securities.

Restrictions on redemption, may delay exercise of any optional redemption.

Notwithstanding that a notice of redemption has been delivered to Noteholders, the Notes may not be redeemed by the Issuer pursuant to any of the redemption provisions referred to in the Terms and Conditions of the Notes unless the Conditions to Redemption and Purchase set out in Condition 6.9 (*Conditions to Redemption and Purchase*) are satisfied. In particular no redemption of the Notes can take place if (subject to certain conditions) a Regulatory Deficiency has occurred and is continuing on the due date for redemption (or such redemption would itself cause a Regulatory Deficiency) or an Insolvent Insurance Affiliate Winding-up has occurred and is continuing (to the extent required under the Solvency II Regulations in order for the Notes to be treated under the Solvency II Regulations as "tier one" own funds regulatory capital).

The suspension of redemption of the Notes does not constitute a default under the Notes for any purpose and does not give Noteholders any right to take any enforcement action under the Notes.

The satisfaction of the Conditions to Redemption and Purchase may delay the date on which the Notes are effectively redeemed and such delay may have a material adverse effect on the value of the Notes.

Early redemption risk.

Subject to the satisfaction of the Conditions to Redemption and Purchase and subject to the Prior Approval of the Relevant Supervisory Authority, the Issuer may, at its option, redeem the Notes in whole, but not in part.

The Issuer may also, at its option but subject to satisfaction of the Conditions to Redemption and Purchase and to the Prior Approval of the Relevant Supervisory Authority, redeem the Notes upon the occurrence of certain events, including a Gross-up Event, a Withholding Tax Event, a Tax Deductibility Event, a Regulatory Event, a Rating Methodology Event or if the conditions to a Clean-up Redemption are met, all as further described in "Terms and Conditions of the Notes - Redemption and Purchase".

For the purposes of any redemption at the option of the Issuer due to a Regulatory Event, each Noteholder, by acquiring and holding any Note, should be aware that ongoing discussions on the interpretation of regulatory requirements for reinstatement mean that no assurance can be given that a Regulatory Event would not occur as a result of the existence of Condition 7.3 (*Discretionary Reinstatement*) despite the fact that such Condition 7.3 (*Discretionary Reinstatement*) provides for an automatic disapplication if its existence would cause a Regulatory Event.

Such redemption options will be exercised at the principal amount of the Notes together with interest accrued to the date of redemption (including, for the avoidance of doubt, any Additional Interest Amounts (if any) thereon at such date).

The redemption of the Notes at the option of the Issuer may affect the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to the First Call Date.

The Issuer may also be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. There can be no assurance that, at the relevant time, Noteholders will be able to reinvest the amounts received upon redemption at a rate that will provide the same return as their investment in the Notes. Potential investors should consider reinvestment risk in light of other investments available at that time.

There are no events of default under the Notes.

The Terms and Conditions of the Notes do not provide for events of default allowing acceleration of the Notes if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Notes, including the payment of any interest, investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to Noteholders for recovery of amounts owing in respect of any payment of principal or interest on the Notes will be the institution of judicial proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it. No limitation on issuing or guaranteeing debt ranking senior or "*pari passu*" with the Notes and no negative pledge.

There is no restriction on the amount of debt which the Issuer or any other member of the Group may issue or guarantee. The Issuer and its subsidiaries and affiliates (including SGAM) may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank *pari passu* or senior to the obligations under and in connection with the Notes. If the Issuer's or SGAM financial condition were to deteriorate, the Noteholders could suffer direct and materially adverse consequences, including deferral of interest and, if the Issuer were liquidated (whether voluntarily or not), the Noteholders could suffer loss of their entire investment.

In addition, the Notes do not contain any "negative pledge" or similar clause, meaning that the Issuer and its subsidiaries and affiliates may pledge its or their assets to secure other obligations without granting similar security in respect of the Notes.

Pursuant to article L.327-2 of the French *Code des assurances*, a lien (*privilège*) over the movable assets of the Issuer is granted for the benefit of the Issuer's policyholders. Noteholders, even if they are policyholders of the Issuer, do not have the benefit of such lien in relation to amounts due under the Notes.

No gross-up obligation unless a Tax Alignment Event has occurred.

If French law should require any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, the Issuer shall not pay such additional amounts as would be necessary for each Noteholder, after such withholding or deduction, to receive the full amount then due and payable thereon in the absence of such withholding or deduction unless a Tax Alignment Event has occurred and is continuing (as more fully described under "*Terms and Conditions of the Notes – Taxation*").

The Issuer will not be required to redeem the Notes if it is prohibited by French law from paying additional amounts.

In the event that the Issuer is required to withhold amounts in respect of French taxes from payments of interest on the Notes, the Terms and Conditions of the Notes provide that, subject to certain exceptions, the Issuer will pay additional amounts so that the Noteholders will receive the amount they would have received in the absence of such withholding as further described in the risk factor above entitled "*No gross-up obligation unless a Tax Alignment Event has occurred*". Under French tax law, there is some uncertainty as to whether the Issuer may pay such additional amounts. French debt instruments typically provide that, if an issuer is required to pay additional amounts but is prohibited by French law from doing so, the Issuer must redeem the debt instruments in full. Under Article 71.1(h) of the Commission delegated regulation (EU) 2015/35 of 10 October 2014, mandatory redemption clauses are not permitted in a Tier 1 instrument such as the Notes. As a result, the Terms and Conditions of the Notes provide for redemption at the option of the Issuer in such a case (subject to approval of the Relevant Supervisory Authority), but not for mandatory redemption.

If the Issuer does not exercise its option to redeem the Notes in such a case, Noteholders will receive less than the full amount due under the Notes, and the market value of the Notes will be adversely affected.

Restrictions on right to set-off.

Subject to applicable law, no Noteholder who is indebted to the Issuer will be entitled to exercise any right of set-off or counterclaim against moneys owed to the Issuer in respect of such indebtedness.

Credit ratings may not reflect all risks.

The Notes are expected to be rated BBB- by S&P. The rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. In addition, rating agencies other than Standard & Poor's Rating Services could seek to rate the Notes and if such unsolicited ratings are lower than the comparable ratings assigned to the Notes by S&P, those unsolicited ratings could have an adverse effect on the value and the marketability of the Notes.

Any decline in the credit ratings of the Issuer may affect the market value of the Notes.

S&P has assigned a A- long-term senior, unsecured debt rating to the Issuer. S&P or any other rating agency may change its methodologies for rating securities with features similar to the Notes in the future. This may include the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the Notes, sometimes called "notching". If the rating agencies were to change their practices for rating such securities in the future and the ratings of the Notes were to be subsequently lowered or withdrawn, this may have a negative impact on the trading price of the Notes.

Interest rate risk.

The Notes bear interest at a fixed rate from (and including) the Issue Date, to (but excluding) the First Reset Date, therefore investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

Following the First Reset Date, interest on the Notes shall be calculated on each Reset Date (as defined in the Terms and Conditions of the Notes) on the basis of the prevailing 5-year Mid-Swap Rate (as defined in the Terms and Conditions of the Notes). The Reset Rate (as defined in the Terms and Conditions of the Notes) will be determined two (2) Business Days before each Reset Date and as such is not pre-defined at the date of issue of the Notes. The Reset Rate in relation to a relevant Interest Period may be different from the initial Rate of Interest or from a Reset Rate applicable to a previous Interest Period and may adversely affect the yield of the Notes.

Risks relating to the application and changes to the Solvency II Regulation Regime.

The Notes are issued for capital adequacy regulatory purposes with the intention that all the proceeds of the Notes be eligible, (x) for the purpose of the determination of its solvency margin or capital adequacy levels under the Solvency II Regulations or (y) as at least tier one own funds regulatory capital (or whatever the terminology employed by the Solvency II Regulations) for the purposes of the determination of its regulatory capital under the Solvency II Regulations, except, in each case, as a result of the application of the limits on inclusion (on a solo or group-level basis) of such securities in, respectively, its solvency margin or own funds regulatory capital, as the case may be.

The Issuer's expectation is based on its review of available information relating to the implementation of Solvency II Directive in France by the ordinance (*ordonnance*) no. 2015-378 dated 2 April 2015 completed by the decree (*décret*) no. 2015-513 dated 7 May 2015 and the order (*arrêté*) of the same date, the "level two" implementation measures set out in Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 which entered into force on 18 January 2015 and the Commission Delegated Regulation (EU) 2019/981 of 8 March 2019 which entered into force on 8 July 2019, as amended.

There can be no assurance that, following their initial publication, the "level two" implementation measures and "level three" guidance will not be amended. There is uncertainty as to how regulators, including the *Autorité de contrôle prudentiel et de résolution (ACPR)*, will interpret the Solvency II Directive as implemented in France, the "level two" implementation measures and/or "level three" guidance and apply them to the Issuer. Moreover, there can be no assurance that, following their initial publication, the "level two" implementation measures and "level three" guidance will not be amended or that the ACPR will not change the way it interprets and applies these requirements to the French insurance industry.

Any such changes that may occur in the application of Solvency II in France subsequent to the date of this Information Memorandum and/or any subsequent changes to such rules and other variables may individually and/or in aggregate negatively affect the calculation of the Issuer's Solvency Capital Requirement (or, if different, whatever terminology is employed to denote such requirement by the then applicable Solvency II Regulations) and render the Issuer's regulatory capital requirements more onerous and thus increase the risk of cancellation of Interest Payments, the occurrence of a Regulatory Event and subsequent redemption of the Notes by the Issuer, or a Trigger Event occurring, as a result of which a Noteholder could lose all or part of the value of their investment in the Notes.

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

From (and including) the First Reset Date to (but excluding) the date of redemption of the Notes, the Notes shall bear interest on their principal amount at a fixed rate *per annum* which shall be equal to the relevant 5-year Mid-Swap Rate (as defined in Condition 1 (*Definitions*) of the Terms and the Conditions of the Notes) plus the relevant Margin. The 5-year Mid-Swap Rate and the 6 month EURIBOR rate (on which the floating leg of the 5-year Mid-Swap Rate is based) constitute benchmarks for the purposes of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, published in the Official Journal of the European Union on 29 June 2016 (the **Benchmark Regulation**).

The Benchmark 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) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of "benchmarks" (or, if non-EU-based, to be subject to equivalent requirements) and (ii) prevents certain uses by EU supervised entities of "benchmarks" of administrators that are not authorised/registered (or, if non-EU-based, deemed equivalent or recognised or endorsed).

The Benchmark Regulation could have a material impact on any notes linked to a rate or index deemed to be a "benchmark", in particular if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmark Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the "benchmark".

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

Such factors may have the following effects on certain “benchmarks” (i) discourage market participants from continuing to administer or contribute to certain “benchmarks”, (ii) trigger changes in the rules or methodologies used in certain “benchmarks” or (iii) lead to the disappearance of certain “benchmarks”.

The Terms and Conditions of the Notes provide that the 5-year Mid-Swap Rate shall be determined by reference to the Screen Page (or its successor or replacement). In circumstances where the Original Reference Rate (as defined in Condition 5.4 (*Benchmark Event*)) is discontinued, neither the Screen Page, nor any successor or replacement may be available. Where the Screen Page is not available, and no successor or replacement for the Screen Page is available, the Terms and Conditions of the Notes provide for the 5-year Mid-Swap Rate to be determined by the Calculation Agent by reference to quotations from banks communicated to the Calculation Agent. If such quotations are not available, the 5-year Mid-Swap Rate applicable to the next succeeding Interest Rate Period shall be equal to the last 5-year Mid-Swap Rate available on the Screen Page as determined by the Calculation Agent.

If a Benchmark Event occurs, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser (as defined in Condition 5.4 (*Benchmark Event*)). The Independent Adviser shall endeavour to determine a Successor Rate or Alternative Rate to be used in place of the Original Reference Rate, in accordance with the Terms and Conditions of the Notes.

The Successor Rate or Alternative Rate in accordance with the Terms and Conditions of the Notes may have no or very limited trading history and accordingly its general evolution and/or interaction with other relevant market forces or elements may be difficult to determine or measure. In addition, the Successor Rate or Alternative Rate may perform differently from the discontinued benchmark. This could significantly affect the performance of an alternative rate compared to the historical and expected performance the relevant benchmark. There can be no assurance that any adjustment factor applied to the Notes will adequately compensate for this impact. This could in turn impact the rate of interest on, and trading value of, the Notes and Noteholders may receive lower return on the Notes than anticipated at the time of the issue.

GENERAL DESCRIPTION OF THE NOTES

This overview is a general description of the Notes and is qualified in its entirety by the remainder of this Information Memorandum. It does not, and is not intended to, constitute a summary of this Information Memorandum. For a more complete description of the Notes, including definitions of capitalised terms used but not defined in this section, please see "Terms and Conditions of the Notes".

Issuer:	La Mondiale.
Description:	EUR500,000,000 Perpetual Fixed Rate Resettable Restricted Tier 1 Notes (the Notes)
Structuring Advisor:	HSBC Bank plc
Joint Bookrunners	HSBC Bank plc Morgan Stanley & Co. International plc Natixis
Fiscal Agent and Principal Paying Agent:	BNP Paribas Securities Services
Aggregate Principal Amount:	EUR500,000,000
Denomination:	EUR100,000 per Note
	Principal Amount means in respect of each Note, EUR100,000, being the principal amount of each Note on the Issue Date (as defined below).
	Prevailing Principal Amount means the Principal Amount as reduced from time to time by any Write-Down and as increased from time to time by any Discretionary Reinstatement.
Issue Date:	24 October 2019
Issue Price:	100 per cent.
No Fixed Maturity Date:	The Notes are perpetual notes in respect of which there is no maturity date.
First Call Date:	24 April 2029
First Reset Date:	24 October 2029
Form of the Notes:	The Notes are issued in dematerialised bearer form (<i>au porteur</i>) and will at all times be evidenced in book-entry form (<i>inscription en compte</i>) in the books of the Account Holders (as defined below). No physical documents of title (including <i>certificats représentatifs</i>) will be issued in respect of the Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France which shall credit the accounts of the Account Holders.

Account Holder shall mean any financial intermediary institution entitled to hold accounts directly or indirectly on behalf of its customers with Euroclear

France, and includes Euroclear Bank SA/NV and Clearstream Banking SA.

Status of the Notes:

The obligations of the Issuer under the Notes in respect of principal, interest and other amounts, constitute direct, unconditional, unsecured and Deeply Subordinated Obligations.

Deeply Subordinated Obligations means all and any bonds or borrowings or any other Obligations of the Issuer which constitute direct, unsecured and lowest ranking subordinated obligations of the Issuer, including bonds or borrowings, the subordination provisions of which are governed by the provisions of Article L. 228-97 of the French *Code de commerce*, and which rank and will rank (a) *pari passu* with all other present and future Deeply Subordinated Obligations of the Issuer, but (b) junior to all present and future *prêts participatifs* granted to the Issuer, and *titres participatifs* issued by the Issuer, Ordinary Subordinated Obligations of the Issuer, Senior Subordinated Obligations of the Issuer and Unsubordinated Obligations of the Issuer and (c) senior to all present and future Mutual Certificates of the Issuer.

Mutual Certificates means any mutual certificates (*certificats mutualistes*) that may be issued from time to time by the Issuer in accordance with articles L. 322-26-8 *et seq.* of the French *Code des assurances*.

Obligation means any payment obligation expressed to be assumed by or imposed on, the Issuer under or arising as a result of any contract, agreement, document, instrument or conduct or relationship or by operation of law (including any bonds or notes).

Ordinary Subordinated Obligations means any Obligations of the Issuer which constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and which rank and will at all times rank (a) equally and rateably with any other existing or future Ordinary Subordinated Obligations but (b) senior to all present and future *titres participatifs* issued by the Issuer, *prêts participatifs* granted to the Issuer, Deeply Subordinated Obligations of the Issuer and Mutual Certificates of the Issuer and (c) junior to Senior Subordinated Obligations and Unsubordinated Obligations.

Senior Subordinated Obligations means any Obligations which constitute direct, unsecured and subordinated obligations of the Issuer and which rank and will at all times rank (i) equally and rateably with any other existing or future Senior Subordinated Obligations, (ii) in priority to present and future Mutual Certificates, Deeply Subordinated Obligations, Ordinary Subordinated Obligations, *prêts participatifs* granted to, and *titres participatifs* issued by the Issuer, and (iii) behind Unsubordinated Obligations.

Unsubordinated Obligations means any Obligations (including any bonds or notes) which constitute direct and unsubordinated Obligations of the Issuer and which rank and will at all times rank equally and rateably with any other existing or future Unsubordinated Obligations, but in priority to present and future Mutual Certificates, Deeply Subordinated Obligations, *prêts participatifs* granted to, *titres participatifs* issued by the Issuer, Ordinary Subordinated Obligations and Senior Subordinated Obligations. For the avoidance of doubt, the Unsubordinated Obligations include but are not limited to the claims of the policyholders of the Issuer.

Negative Pledge:

None.

Enforcement events: There will be no events of default in respect of the Notes. However, each Note shall become immediately due and payable, at its Prevaling Principal Amount, together with accrued interest thereon, if any, to the date of payment, in the event that a judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*), or if the Issuer is liquidated for any other reason.

Interest: Subject to Interest Cancellation, the Notes shall bear interest on their Prevaling Principal Amount:

- (i) from (and including) 24 October 2019 (the **Issue Date**) to (but excluding) 24 October 2029 (the **First Reset Date**), at a fixed rate of 4.375 per cent. *per annum*; and
- (ii) thereafter at a fixed rate of interest which will be reset on the First Reset Date and on each subsequent 5th anniversary thereafter (each such date, a **Reset Date**) as the sum, converted from an annual basis to a semi-annual basis, of the applicable 5-year Mid-Swap Rate, plus the Margin (rounded to three decimal places with 0.0005 rounded down) as determined by the Calculation Agent and which in no circumstances shall be less than zero.

Interest shall be payable on the Notes semi-annually in arrear on 24 April and 24 October (each, an **Interest Payment Date**) in each year commencing on 24 April 2020.

Margin means 4.411 per cent *per annum*.

Interest Cancellation: On any Optional Cancellation Interest Payment Date (as defined below) the Issuer may, at its option, elect to cancel in full or in part the payment of interest otherwise due and payable on any Optional Cancellation Interest Payment Date . On any Mandatory Cancellation Interest Payment Date (as defined below) the Issuer shall be required to cancel in whole or in part (as applicable) any Interest Payment.

Any Interest Payment (or such part thereof) which has not been paid on an Interest Payment Date will be forthwith cancelled, shall not accumulate or be payable at any time thereafter, and such non-payment will not constitute a default or an event of default by the Issuer under the Notes or for any other purpose, and shall not give Noteholders any right to accelerate the Notes.

Group means the Issuer together with its fully consolidated subsidiaries taken as a whole from time to time.

Issuer's Distributable Items means, with respect to and as at any Interest Payment Date, without double-counting, an amount equal to:

- (i) the distributable reserves of the Issuer in accordance with French law and the by-laws of the Issuer and the distributable profits of the Issuer, calculated on an unconsolidated basis, as at the last day of the then most recently ended financial year of the Issuer prior to such Interest Payment Date; plus

- (ii) the interim retained earnings (if any) of the Issuer, calculated on an unconsolidated basis, for the period from the Issuer's then latest financial year end to (but excluding) such Interest Payment Date; less
- (iii) the interim net loss (if any) of the Issuer, calculated on an unconsolidated basis, for the period from the Issuer's then latest financial year end to (but excluding) such Interest Payment Date.

Mandatory Cancellation Interest Payment Date means each Interest Payment Date in respect of which:

- (i) the Issuer has determined that there is non-compliance with the Solvency Capital Requirement of the Issuer and/or SGAM at the time of such Interest Payment, or non-compliance with the Solvency Capital Requirement of the Issuer and/or SGAM would occur immediately following, and as a result of making, such Interest Payment;
- (ii) the Issuer has determined that there is non-compliance with the Minimum Capital Requirement of the Issuer and/or SGAM at the time of such Interest Payment, or non-compliance with the Minimum Capital Requirement of the Issuer and/or SGAM would occur immediately following, and as a result of making, such Interest Payment;
- (iii) the amount of such Interest Payment when aggregated together with any interest amounts or distributions which have been paid or made or which are scheduled simultaneously to be paid or made on all Tier 1 Own Funds (excluding any such payments which do not reduce the Issuer's Distributable Items and any payments already accounted for by way of deduction in determining the Issuer's Distributable Items) since the end of the latest financial year of the Issuer and prior to, or on, such Interest Payment Date, would exceed the amount of the Issuer's Distributable Items as at the Interest Payment Date in respect of such Interest Payment; or
- (iv) the Issuer is otherwise required by the Relevant Supervisory Authority or under the Solvency II Regulations (on the basis that the Notes are intended to qualify as Tier 1 Own Funds) to cancel the relevant Interest Payment.

(each, a **Mandatory Interest Cancellation Event**).

provided however, that the relevant Interest Payment Date will not be a Mandatory Cancellation Interest Payment Date in relation to such Interest Payment (in whole or in part, as applicable), to the extent permitted by the Solvency II Regulations, if, cumulatively:

- (A) the Mandatory Interest Cancellation Event is of the type described in paragraph (i) above only;
- (B) the Relevant Supervisory Authority has exceptionally waived the cancellation of the Interest Payment;
- (C) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that payment of the Interest Payment would not further weaken

the solvency position of the Issuer or SGAM; and

- (D) the Minimum Capital Requirement will be complied with immediately following such Interest Payment, if made.

Minimum Capital Requirement means the minimum capital requirement (MCR) of the Issuer and the minimum consolidated group solvency capital requirement, all as defined and, in accordance with, the Solvency II Regulations.

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

Regulatory Event means that, after the Issue Date, the Issuer (i) is subject to regulatory supervision by the Relevant Supervisory Authority, and (ii) is not permitted to treat the aggregate net proceeds of the Notes (in whole or in part) that are outstanding as eligible for the purpose of the determination of the solvency margin or capital adequacy levels of the Issuer and/or SGAM as Tier 1 Own Funds regulatory capital (or whatever terminology is employed by the Solvency II Regulations at the time), except as a result of the application of the limits on inclusion of such securities in the regulatory capital.

Relevant Supervisory Authority means any relevant regulator having jurisdiction over the Issuer and/or SGAM, in the event that the Issuer and/or SGAM is required to comply with certain applicable solvency margins or capital adequacy levels. The current Relevant Supervisory Authority is the *Autorité de contrôle prudentiel et de résolution*.

SGAM means the combined group (*groupe combiné*) of SGAM AG2R La Mondiale Matmut (which shall be renamed SGAM AG2R La Mondiale subject to the approval of the *Autorité de contrôle prudentiel et de résolution* on 2 December 2019 and which includes, as of the Issue Date the combination of two perimeters, AG2R Prévoyance and La Mondiale) evolving from time to time.

Solvency II Directive means Directive 2009/138/EC of the European Union of 25 November 2009 (as amended, as the case may be) on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), which has been transposed under French law by the ordinance (*ordonnance*) n°2015-378 dated 2 April 2015 completed by the decree (*décret*) no. 2015-513 dated 7 May 2015 and an order (*arrêté*) of the same date (or, if the Issuer becomes domiciled in a jurisdiction other than France, which must be transposed by member states of the European Economic Area pursuant to its Article 309).

Solvency II Regulations means, as from (and including) the date of entry into force of the implementation of the Solvency II Directive in France, the solvency margin, capital adequacy regulations or any other regulatory capital rules which are applicable in France (or if the Issuer and/or SGAM becomes domiciled in a jurisdiction other than France, such other jurisdiction), including the Solvency II Directive (and any laws or regulations implementing the Solvency II Directive, in particular by the French ordinance (*ordonnance*) n°2015-378 dated 2 April 2015 completed by the decree (*décret*) no. 2015-513 dated 7 May 2015 and an order (*arrêté*) of the same date and the guidelines and recommendations from time to time of the European Insurance and Occupational Pensions Authority (or any successor authority), as applied and construed by the Relevant Supervisory Authority or an official application or interpretation of those regulations

including a decision of a court or tribunal and applicable to the Issuer and/or the SGAM, which would lay down the requirements to be fulfilled by financial instruments for inclusion into their own funds regulatory capital (or whatever the terminology that may be retained).

Solvency Capital Requirement has the meaning ascribed to it in the Solvency II Directive.

Tier 1 Capital has the meaning given to such term in the Solvency II Regulations from time to time.

Tier 1 Own Funds means subordinated loans or Notes, ordinary shares or any other share capital of any class which constitute Tier 1 Capital for the purposes of the Issuer or SGAM, whether on a solo, combined or consolidated basis. For the avoidance of doubt, the €400,000,000 undated subordinated fixed to floating rate notes issued on 14 October 2003 (ISIN code: FR0010021287), the €200,000,000 undated deeply subordinated fixed to floating rate notes issued on 15 November 2006 (ISIN code: FR0010397885), the €91,000,000 perpetual super subordinated notes issued on 25 November 2005 (ISIN code: OBNC1A301115) and the €768,405,000 reset undated subordinated notes issued on 17 December 2014 (ISIN code: XS1155697243) are considered at the date hereof as Tier 1 Capital.

Taxation:

All payments in respect of the Notes shall be made free and clear of, and without 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 any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law.

If French law should require that payments of principal or interest made by the Issuer in respect of any Note be subject to withholding or deduction in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature, and provided a Tax Alignment Event has occurred and is continuing, the Issuer, will, to the fullest extent then permitted by law, pay such additional amounts (**Additional Amounts**) as shall result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note 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 by reason of his having some connection with the Republic of France other than the mere holding of the Note.

A **Tax Alignment Event** will be deemed to have occurred if at any time the Issuer determines, in consultation with the Relevant Supervisory Authority, that the obligation to pay additional amounts would not cause the Notes to no longer be treated under Solvency II Regulations as Tier 1 Own Funds regulatory capital (or whatever the terminology employed by the Solvency II Regulations) and gives not less than thirty (30) nor more than forty-five (45) calendar days' notice of such fact to the Fiscal Agent and the Noteholders.

No Redemption Date: The Notes are perpetual notes in respect of which there is no maturity or redemption date. The Issuer shall be entitled to redeem the Notes only in accordance with the provisions below, and the Noteholders shall have no right to require the Issuer to redeem the Notes in any circumstances.

Optional Early Redemption from the First Call Date: The Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase, and subject to having given not more than thirty (30) nor less than fifteen (15) calendar days' prior notice to the Fiscal Agent and the Noteholders, redeem the Notes in whole, but not in part, at their Base Call Price, at any time from the First Call Date to and including the First Reset Date and on any Interest Payment Date falling thereafter.

Base Call Price is equal to the Prevailing Principal Amount of the Notes together with (to the extent that such interest has not been cancelled in accordance with the Terms and Conditions) any accrued and unpaid interest up to the Redemption Date.

Prior Approval of the Relevant Supervisory Authority means the prior written approval of the Relevant Supervisory Authority, if such approval is required at the time under any applicable Solvency II Regulations.

Optional Early Redemption following a Gross-Up Event: If, by reason of a change in any French law or regulation, or any change in the official application or interpretation thereof, becoming effective after the Issue Date, the Issuer would, on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay Additional Amounts (a **Gross-Up Event**), the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase, and subject to having given not less than thirty (30) nor more than forty-five (45) calendar days' prior notice to the Fiscal Agent and the Noteholders, redeem the Notes in whole, but not in part, at their Base Call Price, provided that the due date for redemption shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal or interest without withholding or deduction for French taxes.

Optional Early Redemption following a Withholding Tax Event: If the Issuer would on the next payment of principal or interest in respect of the Notes be obliged to pay Additional Amounts and the Issuer would be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay Additional Amounts (a **Withholding Tax Event**), then the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase, and upon giving not less than seven (7) calendar days' prior notice to the Fiscal Agent and the Noteholders, redeem the Notes in whole, but not in part, at their Base Call Price, on the latest practicable date on which the Issuer could make payment of the full amount of principal or interest payable in respect of the Notes or, if such date is past, as soon as practicable thereafter.

Optional Early Redemption in case of Tax Deductibility Event: If an opinion of a recognised law firm of international standing has been delivered to the Issuer and the Fiscal Agent, stating that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in the part of the interest payable by the Issuer in respect of the Notes that

is tax-deductible being reduced (a **Tax Deductibility Event**), so long as this cannot be avoided by the Issuer taking reasonable measures available to it at the time, the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase, redeem the Notes in whole, but not in part, at their Base Call Price, on the latest practicable date on which the Issuer could make such payment with the part of the interest payable under the Notes being tax-deductible not being reduced or, if such date is past, as soon as practicable thereafter. The Issuer shall give the Fiscal Agent and the Noteholders notice of any such redemption not less than thirty (30) nor more than forty-five (45) calendar days before the date fixed for redemption and the Fiscal Agent shall promptly thereafter publish a notice of redemption.

Optional Early Redemption for Regulatory Reasons:

If, at any time, the Issuer determines that a Regulatory Event has occurred with respect to the Notes on or after the Issue Date, the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase and subject to having given not less than thirty (30) nor more than forty-five (45) calendar days' prior notice to the Fiscal Agent and the Noteholders, redeem the Notes in whole, but not in part, at their Base Call Price.

Optional Redemption for Rating Reasons:

If at any time the Issuer determines that a Rating Methodology Event has occurred with respect to the Notes on or after the Issue Date, the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase and subject to having given not less than thirty (30) nor more than forty-five (45) calendar days' prior notice to the Fiscal Agent and the Noteholders, redeem the Notes in whole, but not in part, at the option of the Issuer, at any time at their Base Call Price.

A **Rating Methodology Event** will be deemed to occur upon a change in the methodology of a Rating Agency (as defined above) (or in the interpretation of such methodology) as a result of which the equity content previously assigned by such Rating Agency to the Notes is, in the reasonable opinion of the Issuer, materially reduced when compared to the equity content assigned by such Rating Agency at the first date on which such equity content was assigned.

Clean-up Redemption:

The Issuer may, at any time, elect, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase, to redeem all, but not some only, of the Notes at their Base Call Price if 80% (eighty per cent.) or more of the Notes issued on the Issue Date (and, if applicable, on the relevant issue date(s) of any further notes) has been purchased and cancelled.

Conditions to Redemption and Purchase:

The Notes may not be redeemed, purchased or replaced pursuant to any of the redemption provisions referred to above if:

- (i) a Regulatory Deficiency has occurred and is continuing on the due date for redemption or such redemption would itself cause a Regulatory Deficiency, except, only in respect of breach of the Solvency Capital Requirement of the Issuer and/or SGAM if (a) the Relevant Supervisory Authority has exceptionally waived the suspension of redemption or purchase, (b) the Notes have been exchanged for or converted into another Tier 1 Own Fund of at least the same quality and (c) the Minimum Capital Requirement of the Issuer and/or SGAM is complied with after the redemption or purchase; or

- (ii) an Insolvent Insurance Affiliate Winding-up has occurred and is continuing on the date due for redemption or purchase (to the extent required under the Solvency II Regulations in order for the Notes to be treated under the Solvency II Regulations as Tier 1 Own Funds (or whatever the terminology employed by the Solvency II Regulations) of the Issuer and/or SGAM except to the extent permitted under the Solvency II Regulations and with the Prior Approval of the Relevant Supervisory Authority.

Notwithstanding any other provision therein, the Notes may only be redeemed, purchased or replaced to the extent provided in the prevailing Solvency II Regulations.

Should a Regulatory Deficiency or an Insolvent Insurance Affiliate Winding-up occur after a notice for redemption has been made to the Noteholders, such redemption notice would become automatically void and notice would be made promptly by the Issuer.

If practicable under the circumstances, the Issuer will give notice to the Noteholders and to the Fiscal Agent of any deferral of the redemption of the Notes. This notice will not be a condition to the deferral of redemption. Any delay or failure by the Issuer to give such notice shall not affect the deferral described above.

The Notes may not be redeemed or purchased upon the occurrence of a Rating Methodology Event or if the conditions for a Clean-up Redemption are met, prior to the fifth anniversary of the Issue Date, unless the redemption or purchase has been funded out of the proceeds of a new issuance of own-funds capital of the same or higher quality as the Notes, if required pursuant to Solvency II Regulations.

The Notes may not be redeemed upon the occurrence of a Regulatory Event prior to the fifth anniversary of the Issue Date, unless (i) (x) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement is exceeded by an appropriate margin (taking into account the position of the Issuer including the Issuer's medium-term capital plan) and (y) the Issuer demonstrates to the satisfaction of the Relevant Supervisory Authority that the Regulatory Event was not reasonably foreseeable at the time of the issuance of the Notes and (z) the Relevant Supervisory Authority considers such change in the regulatory classification of the Notes to be sufficiently certain and/or (ii) the redemption or purchase has been funded out of the proceeds of a new issuance of own-funds capital of the same or higher quality as the Notes, in each case, if required pursuant to Solvency II Regulations.

The Notes may not be redeemed upon the occurrence of a Tax Deductibility Event or, if a Redemption Alignment Event has occurred, a Withholding Tax Event or a Gross-up Event prior to the fifth anniversary of the Issue Date, unless (i) (x) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement is exceeded by an appropriate margin (taking into account the position of the Issuer including the Issuer's medium-term capital plan) and (y) the Issuer demonstrates to the satisfaction of the Relevant Supervisory Authority that the Tax Deductibility Event, the Withholding Tax Event or, as the case may be, the Gross-up Event is material

and was not reasonably foreseeable at the time of the issuance of the Notes and/or (ii) the redemption or purchase has been funded out of the proceeds of a new issuance of own-funds capital of the same or higher quality as the Notes, in each case, if required pursuant to Solvency II Regulations.

The Notes may not be redeemed or purchased upon the occurrence of a Tax Deductibility Event or, if a Redemption Alignment Event has occurred, a Withholding Tax Event or a Gross-up Event, a Regulatory Event, a Rating Methodology Event or if the conditions for a Clean-up Redemption are met, after the fifth anniversary of the Issue Date and before the tenth anniversary of the Issue Date, or any other such period prescribed by the Solvency II Regulations, unless (i) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement is exceeded by an appropriate margin (taking into account the position of the Issuer including the Issuer's medium-term capital plan) or (ii) the redemption or purchase has been funded out of the proceeds of a new issuance of own-funds capital of the same or higher quality as the Notes.

Insolvent Insurance Affiliate Winding-up means:

- (i) the winding-up of any Insurance Undertaking within the Group or SGAM; or
- (ii) the appointment of an administrator of any Insurance Undertaking within the Group or SGAM,

in each case, where the Issuer has determined, acting reasonably and in consultation with the Relevant Supervisory Authority, that the assets of that Insurance Undertaking within the Group or SGAM may or will not be sufficient to meet all claims of the policyholders pursuant to a contract of insurance or reinsurance of that Insurance Undertaking which is subject to a winding-up or administration process (and for these purposes, the claims of policyholders pursuant to a contract of insurance or reinsurance shall include all amounts to which policyholders are entitled under applicable legislation or rules relating to the winding-up of Insurance Undertakings that reflect any right to receive or expectation of receiving benefits which policyholders may have).

Insurance Undertaking has the meaning ascribed to it in the Solvency II Directive (as defined above).

A **Redemption Alignment Event** will be deemed to have occurred if at any time, the Issuer determines, in consultation with the Relevant Supervisory Authority, if required pursuant to Solvency II Regulations, that the option to redeem or purchase the Notes upon the occurrence of a Gross-up Event or Withholding Tax Event from the fifth anniversary of the Issue Date without such redemption or purchase being funded out of the proceeds of a new issuance of own-funds capital of the same or higher quality as the Notes would not cause the Notes to no longer be treated under the Solvency II Regulations as Tier 1 Own Funds regulatory capital (or whatever the terminology employed by the Solvency II Regulations) and gives not less than thirty (30) nor more than forty-five (45) calendar days' notice of such fact to the Fiscal Agent and the Noteholders.

Regulatory Deficiency means:

(i) the own funds regulatory capital (or whatever the terminology employed by Solvency II Regulations) of the Issuer or SGAM is not sufficient to cover the capital requirement (or whatever the terminology employed by the Solvency II Regulations) of the Issuer or of SGAM, whichever occurs the earlier, and either a cancellation of interest is required or a redemption or repayment of principal is prohibited under the Solvency II Regulations in order for the Notes to qualify as Tier 1 Own Funds regulatory capital (or whatever terminology is employed by the Solvency II Regulations) or

(ii) the Relevant Supervisory Authority has notified the Issuer that it has determined, in view of the financial condition of the Issuer and/or any entity of SGAM, that in accordance with applicable regulations at such time, the Issuer must take specified action in relation to payments under the Notes.

For the avoidance of doubt, a Regulatory Deficiency would be deemed to have occurred when the Issuer or SGAM fails to meet the solvency capital requirement or minimum capital requirement (both as defined in the Solvency II Directive).

Purchase of Notes by the Issuer:

The Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and to the Conditions to Redemption and Purchase, purchase Notes in the open market or otherwise at any price in accordance with applicable laws and regulations.

All Notes so purchased by the Issuer may (i) be held and resold in accordance with Articles L.213-0-1 and D.213-0-1 of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Notes or (ii) be cancelled in accordance with Article L.228-74 of the French *Code de commerce*.

Principal loss absorption:

If a Trigger Event occurs:

- (i) the Issuer shall immediately notify the Relevant Supervisory Authority;
- (ii) any interest which is accrued and unpaid up to (and including) the Write-Down Date (whether or not such interest has become due for payment) shall be automatically cancelled (it being specified that such cancellation shall not constitute a default or event of default of the Issuer for any purpose); and
- (iii) the Issuer shall, promptly (and without the need for the consent of the Noteholders) write-down the Notes by reducing the Prevailing Principal Amount by the "Write-Down Amount" (such action a **Write-Down** and **Written-Down** being construed accordingly).

Any such Write-Down shall be applied in respect of each Note equally.

A Write-Down of the Notes shall not constitute a default or an event of default in respect of the Notes or a breach of the Issuer's obligations or duties or a failure to perform by the Issuer in any manner whatsoever, and shall not entitle Noteholders to accelerate the Notes, to petition for the insolvency or dissolution of the Issuer or to take any other action.

Following a Write-Down, Noteholders will be automatically deemed to waive

irrevocably their rights to receive, and no longer have any rights against the Issuer with respect to, any principal amount by which the Notes have been Written-Down (without prejudice to the rights of Noteholders in respect to any reinstated principal amounts following a Discretionary Reinstatement).

A Write-Down may occur on one or more occasions following each Write-Down Testing Date and each Note may be Written-Down on more than one occasion. Accordingly, if, after a Write-Down, a Trigger Event pursuant to paragraph (c) of such definition occurs at any Write-Down Testing Date, a further Write-Down shall be required.

To the extent that the Prevailing Principal Amount of the Notes has been Written-Down, interest shall accrue on such Written-Down Prevailing Principal Amount in accordance with the Conditions as from the relevant Write-Down Date.

In addition, if the write-down of, or, as the case may be, conversion of any Loss Absorbing Tier 1 Instrument of the Issuer or as applicable any member of SGAM is not, or by the relevant Write-Down Date will not be, effective:

- 1) the ineffectiveness of any such reduction or, as the case may be, conversion shall not prejudice the requirement to effect a reduction to the Prevailing Principal Amount pursuant to this "Write-Down Amount" definition; and
- 2) the write-down of, or, as the case may be, conversion of any such Loss Absorbing Tier 1 Instrument which is not, or by the Write-Down Date will not be, effective shall not be taken into account in determining such reduction of the Prevailing Principal Amount.

To the extent permitted by the relevant rules applicable at the time of the Trigger Event, a Write-Down may be exceptionally waived by the Relevant Supervisory Authority on the basis of receiving both following pieces of information: (i) when the Issuer submits the recovery plan required by Article 138(2) of the Solvency II Directive, projections that demonstrate that triggering the Write-Down in that case would be very likely to give rise to a tax liability that would have a significant adverse effect on the solvency position of the Issuer or SGAM and (ii) a certificate issued by the Issuer's statutory auditors certifying that all of the assumptions used in the projections are realistic.

A **Trigger Event** shall be deemed to have occurred if, at any time, the Issuer determines that any of the following has occurred:

- (a) the amount of own funds eligible to cover the Solvency Capital Requirement of the Issuer, or SGAM (as the case may be) determined under the relevant rules is equal to or less than seventy-five per cent. (75%) of the Solvency Capital Requirement; or
- (b) the amount of own funds eligible to cover the Minimum Capital Requirement of the Issuer, or SGAM (as the case may be) determined under the relevant rules is equal to or less than the Minimum Capital Requirement; or
- (c) the amount of own funds eligible to cover the Solvency Capital Requirement of the Issuer, or SGAM (as the case may be) has been

less than the Solvency Capital Requirement for a continuous period of three months (commencing on the date on which non-compliance with such Solvency Capital Requirement was first observed).

Loss Absorbing Tier 1 Instruments means instruments which are fully compliant with the requirements to be classified as restricted Tier 1 capital under Solvency II Regulations.

Own Fund Items means the amount of eligible “own fund-items” (or any equivalent terminology employed by the relevant rules) of the Issuer or SGAM on a combined or consolidated basis.

SCR Ratio means the sum of all Own Fund Items divided by the Solvency Capital Requirement, calculated on a combined or consolidated basis, using the latest available values.

Write-Down Amount is the amount of the write-down of the Prevailing Principal Amount of the Notes on the applicable Write-Down Date and will be equal to:

- (i) the amount that would reduce the Prevailing Principal Amount to EUR 0.01, if the relevant Trigger Event has occurred pursuant to a) or b) of the Trigger Event definition in Condition 7.1 (*Write-Down upon Trigger Event*) to the extent required by the relevant rules applicable at the time of the Trigger Event, or as otherwise required pursuant to alternative requirements under relevant rules; or
- (ii) together with the pro rata conversion or partial write-down of all other Loss Absorbing Tier 1 Instruments of the Issuer or as applicable any member of SGAM when compared with the Prevailing Principal Amount:
 - (x) the amount necessary to restore the SCR Ratio of the Issuer and/or SGAM to 100%, to the extent they are below 100%; or
 - (y) if the SCR Ratio of the Issuer and/or SGAM cannot be restored to 100%, then the amount necessary on a linear basis to reflect the SCR Ratio of the Issuer and/or SGAM where the Prevailing Principal Amount would be equal to (a) EUR 0.01 if the SCR Ratio of the Issuer and/or SGAM were 75% and (b) the Initial Principal Amount if the SCR Ratio of the Issuer and/or SGAM were 100%; or
 - (z) any higher amount that would be required by the relevant rules in force at the time of the Write-Down;

for each paragraph (x), (y) and (z) above, only if the relevant Trigger Event has occurred pursuant solely to c) of the Trigger Event definition in Condition 7.1 (*Write-Down upon Trigger Event*) and if such Write-Down is permitted by the relevant rules applicable at the time of the Trigger Event

Write-Down Date means any date on which a reduction of the Prevailing Principal Amount will take effect.

Write-Down Testing Date means the date falling three months after the occurrence of the Trigger Event pursuant to paragraph (c) of such definition and each subsequent three-month anniversary of the date thereof or any other date determined by the Relevant Supervisory Authority according to the relevant rules.

**Discretionary
Reinstatement:**

Following any reduction of the Prevailing Principal Amount pursuant to Condition 7 (*Principal Loss Absorption*), the Issuer may to the extent permitted by the relevant rules applicable at the relevant time and provided that Condition 7.3 (*Discretionary Reinstatement*) shall not apply to the extent that the existence of such provision would cause the occurrence of a Regulatory Event, at its discretion, increase the Prevailing Principal Amount of the Notes (a **Discretionary Reinstatement**) on any date and in any amount that it determines in its discretion (either to the Principal Amount or to any lower amount) provided that such Discretionary Reinstatement:

(A) is permitted only if the Issuer and/or SGAM complies with the Solvency Capital Requirement of the Issuer and/or SGAM following such Discretionary Reinstatement;

(B) is not activated by reference to Own Fund Items issued or increased in order to restore compliance with the Solvency Capital Requirement of the Issuer and/or SGAM;

(C) occurs only on the basis of profits which contribute to Distributable Items made subsequent to the restoration of compliance with the Solvency Capital Requirement of the Issuer and/or SGAM in a manner that i) does not undermine the loss absorbency intended by Article 71(5) of the Solvency II Regulation and ii) does not hinder recapitalisation as required by Article 71(1)(d) of the Solvency II Regulation;

(D) does not result in a Trigger Event;

(E) occurs no later than ten (10) years since the last Write-Down Date; and

(F) is authorised only if the Issuer and/or SGAM is not subject to any Administrative Procedure and provided that if the Issuer and/or SGAM has been subject to such Administrative Procedure, the Relevant Supervisory Authority has formally notified the Issuer and/or SGAM of the end of such Administrative Procedures.

A Discretionary Reinstatement may occur on one or more occasions until the Prevailing Principal Amount of the Notes has been reinstated to the Principal Amount. Any decision by the Issuer to effect or not to effect any Discretionary Reinstatement on any occasion shall not preclude it from effecting or not effecting any Discretionary Reinstatement on any other occasion.

Any Discretionary Reinstatement shall be applied in respect of each Note equally.

Notice of any Discretionary Reinstatement shall be given to the Noteholders and

Euronext Paris in accordance with Condition 13 (*Notices*) as soon as possible and no later than five (5) Business Days prior to the date on which such Discretionary Reinstatement becomes effective.

Administrative Procedure means any administrative procedure imposed by the Relevant Supervisory Authority in accordance with the French *Code des assurances* and/or the French *Code monétaire et financier*, including but not limited to, resolution procedures or plans, recovery plans, safeguard procedures or plans and financing plans, that the Issuer is required to follow and implement.

Representation of Noteholders:

The Noteholders will be grouped automatically for the defence of their respective common interests in a *masse* governed by the provisions of the French *Code de commerce* subject to certain exceptions and provisions (the **Masse**). The Masse will be a separate legal entity, and will be acting in part through a representative and in part through collective decisions of the Noteholders.

Admission to trading:

Application has been made for the Notes to be admitted to trading on Euronext Growth.

Rating:

The Notes are expected to be assigned on issue a rating of BBB- by S&P.

Clearing:

The Notes have been accepted for clearance through Euroclear France, Clearstream Banking SA and Euroclear Bank SA/NV.

Selling Restrictions:

There are restrictions on the offer and sale of the Notes and the distribution of offering material, including in the United States of America, the United Kingdom and France.

Governing Law:

French law.

Use of Proceeds

The Notes are issued in order to strengthen the quality of the Issuer's own funds and the net proceeds from the Notes will be applied by the Issuer for its general corporate purposes.

INFORMATION DOCUMENTS INCORPORATED BY REFERENCE

This Information Memorandum shall be read and construed in conjunction with the following documents which are incorporated by reference in, and shall be deemed to form part of, this Information Memorandum:

- (1) the audited consolidated financial statements of the Issuer for the year ended 31 December 2017 in the French language and the report of the statutory auditors on such accounts (the **2017 Financial Report**);
- (2) the audited consolidated financial statements of the Issuer for the year ended 31 December 2018 in the French language and the report of the statutory auditors on such accounts (the **2018 Financial Report**);
- (3) the solvency and financial condition report of the Issuer for the year ended 31 December 2018 in the French language (the **2018 Solvency and Financial Condition Report**);
- (4) the unaudited consolidated balance sheet and profit and loss account of the Issuer for the half-year period ended 30 June 2019 in the French language (**2019 Half-Year Consolidated Balance Sheet and Profit and Loss Account**); and
- (5) the document entitled « La Mondiale Half Year 2019 Earnings » in the English language.

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 Information Memorandum 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, except as so modified or superseded, constitute a part of this Information Memorandum.

Copies of the documents incorporated by reference in this Information Memorandum (a) may be obtained, free of charge, at the registered office of the Issuer during normal business hours and (b) will be available on the website of the Issuer (www.ag2rlamondiale.fr).

TERMS AND CONDITIONS OF THE NOTES

The terms and conditions of the Notes will be as follows:

The issue of the EUR500,000,000 perpetual fixed rate resettable restricted Tier 1 notes (the **Notes**) of La Mondiale (the **Issuer**) was authorised pursuant to a resolution of the *Assemblée Générale* of the policyholders (*sociétaires*) of the Issuer adopted on 28 May 2019 and the resolution of the Board of Directors (*Conseil d'administration*) of the Issuer dated 17 October 2019. The Issuer has entered into a fiscal agency agreement (the **Fiscal Agency Agreement**) dated 22 October 2019 with BNP Paribas Securities Services as fiscal agent, calculation agent and principal paying agent. The fiscal agent, the calculation agent, the principal paying agent and the paying agents for the time being are referred to in these Conditions, respectively, as the **Fiscal Agent**, the **Calculation Agent**, the **Principal Paying Agent** and the **Paying Agents** (which expression shall include the Principal Paying Agent and any future paying agent duly appointed by the Issuer in accordance with the Fiscal Agency Agreement), each of which expression shall include the successors from time to time of the relevant persons, in such capacities, under the Fiscal Agency Agreement, and are collectively referred to as the **Agents**. Copies of the Fiscal Agency Agreement are available for inspection at the specified offices of the Paying Agents. References to **Conditions** are, unless the context otherwise requires, to the numbered paragraphs below.

1. Definitions

For purposes hereof, the following definitions shall apply:

5-year Reference Bank Rate means the percentage rate determined on the basis of the 5-year Mid-Swap Rate Quotations provided by at least five leading swap dealers in the interbank market (the **Reference Banks**) to the Calculation Agent at approximately 11:00 a.m. (Central European time), on the relevant Reset Rate Determination Date. If one quotation is provided, the 5-year Reference Bank Rate will be such quotation. If two or more quotations are provided, the 5-year Reference Bank Rate will be the arithmetic mean of the quotations, eliminating, if at least three quotations are provided, the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If the 5-year Reference Bank Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the applicable 5-year Reference Bank Rate shall be equal to the last 5-year Mid-Swap Rate available on the Screen Page as determined by the Calculation Agent, except that if the Calculation Agent or the Issuer determines that the absence of quotation is due to the discontinuation of the Screen Page 5-year Mid-Swap Rate, then the 5-year Mid-Swap Rate will be determined in accordance with paragraph (iii) of the definition of 5-year Mid-Swap Rate.

5-year Mid-Swap Rate means:

- (i) the mid-swap rate for a term of five (5) years as displayed on Bloomberg screen "ICESWAP2" as at 11:00 a.m. (Central European time) (the **Screen Page**), (the **Screen Page 5-year Mid-Swap Rate**);
- (ii) subject to Condition 5.4, in the event that the 5-year Mid-Swap Rate does not appear on the Screen Page on the relevant Reset Rate Determination Date, the 5-year Reference Bank Rate on such Reset Rate Determination Date;

5-year Mid-Swap Rate Quotations means the arithmetic mean of the bid and offered rates for the annual fixed rate leg (calculated on a 30/360 day count basis) of a fixed-for-floating Euro interest rate swap which (i) has a term of 5 years commencing on the first day of the relevant Interest Rate Period, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating rate leg based on six-month EURIBOR (calculated on an actual/360 day count basis).

Account Holder means any authorised financial intermediary institution entitled to hold accounts directly or indirectly on behalf of its customers with Euroclear France, and includes Clearstream Banking SA (**Clearstream**) and Euroclear Bank SA/NV (**Euroclear**).

Actual/Actual (ICMA) Day Count Fraction means:

- (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Issue Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Interest Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the number of days in such Interest Period; or
- (ii) in the case of Notes where the Accrual Period is longer than the Interest Period during which the Accrual Period ends, the sum of:
 - (a) the number of days in such Accrual Period falling in the Interest Period in which the Accrual Period begins divided by the number of days in such Interest Period; and
 - (b) the number of days in such Accrual Period falling in the next Interest Period divided by the number of days in such Interest Period.

Additional Amounts has the meaning ascribed to it in Condition 9.

Administrative Procedure means any administrative procedure imposed by the Relevant Supervisory Authority in accordance with the French *Code des assurances* and/or the French *Code monétaire et financier*, including but not limited to, resolution procedures or plans, recovery plans, safeguard procedures or plans and financing plans, in each case that the Issuer is required to follow and implement.

Base Call Price is equal to the Prevailing Principal Amount of the Notes together with (to the extent that such interest has not been cancelled in accordance with the Conditions) any accrued and unpaid interest up to the Redemption Date.

Business Day means, except as otherwise specified herein, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchanges settle payments and are open for business (including dealings in foreign exchanges and foreign currency deposits) in Paris and a TARGET 2 Settlement Day.

Conditions to Redemption and Purchase means the conditions to redemption and purchase set out in Condition 6.9 (*Conditions to Redemption and Purchase*).

Deeply Subordinated Obligations means all and any bonds or borrowings or any other Obligations of the Issuer which constitute direct, unconditional, unsecured and lowest ranking subordinated obligations of the Issuer, including bonds or borrowings, the subordination provisions of which are governed by the provisions of Article L. 228-97 of the French *Code de commerce*, and which rank and will rank (a) *pari passu* with all other present and future Deeply Subordinated Obligations of the Issuer, but (b) junior to all present and future *prêts participatifs* granted to the Issuer, *titres participatifs* issued by the Issuer, Ordinary Subordinated Obligations of the Issuer, Senior Subordinated Obligations of the Issuer and Unsubordinated Obligations of the Issuer and (c) senior to all present and future Mutual Certificates of the Issuer.

Discretionary Reinstatement has the meaning ascribed to it in Condition 7 (*Principal Loss Absorption*).

First Call Date means 24 April 2029.

First Reset Date means 24 October 2029.

Gross-Up Event has the meaning ascribed to it in Condition 6.3 (*Redemption for Taxation Reasons*).

Group means the Issuer together with its fully consolidated subsidiaries taken as a whole from time to time.

Independent Agent means an investment bank, or a syndicate of investment banks, of international repute and with a leading franchise in the underwriting and distribution of capital instruments for French and international financial institutions.

Insolvent Insurance Affiliate Winding-up means:

- (i) the winding-up of any Insurance Undertaking within the Group or SGAM; or
- (ii) the appointment of an administrator of any Insurance Undertaking within the Group or SGAM,

in each case, where the Issuer has determined, acting reasonably and in consultation with the Relevant Supervisory Authority, that the assets of that Insurance Undertaking within the Group or SGAM may or will not be sufficient to meet all claims of the policyholders pursuant to a contract of insurance or reinsurance of that Insurance Undertaking which is subject to a winding-up or administration process (and for these purposes, the claims of policyholders pursuant to a contract of insurance or reinsurance shall include all amounts to which policyholders are entitled under applicable legislation or rules relating to the winding-up of Insurance Undertakings that reflect any right to receive or expectation of receiving benefits which policyholders may have).

Insurance Undertaking has the meaning ascribed to it in the Solvency II Directive.

Interest Payment means the amount of interest due and payable on any Interest Payment Date in accordance with Condition 5 (*Interest*).

Interest Payment Date means 24 April and 24 October in each year, commencing on 24 April 2020.

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

Interest Rate Period means each period beginning on (and including) a Reset Date and ending on (but excluding) the next succeeding Reset Date.

Issue Date means 24 October 2019.

Issuer's Distributable Items means, with respect to and as at any Interest Payment Date, without double-counting, an amount equal to:

- (i) the distributable reserves of the Issuer in accordance with French law and the by-laws of the Issuer and the distributable profits of the Issuer, calculated on an unconsolidated basis, as at the last day of the then most recently ended financial year of the Issuer prior to such Interest Payment Date; plus

- (ii) the interim retained earnings (if any) of the Issuer, calculated on an unconsolidated basis, for the period from the Issuer's then latest financial year end to (but excluding) such Interest Payment Date; less
- (iii) the interim net loss (if any) of the Issuer, calculated on an unconsolidated basis, for the period from the Issuer's then latest financial year end to (but excluding) such Interest Payment Date.

Loss Absorbing Tier 1 Instruments means instruments which are fully compliant with the requirements to be classified as restricted Tier 1 capital under Solvency II Regulations.

Mandatory Cancellation Interest Payment Date means each Interest Payment Date in respect of which:

- (i) the Issuer has determined that there is non-compliance with the Solvency Capital Requirement of the Issuer and/or SGAM at the time of such Interest Payment, or non-compliance with the Solvency Capital Requirement of the Issuer and/or SGAM would occur immediately following, and as a result of making, such Interest Payment;
- (ii) the Issuer has determined that there is non-compliance with the Minimum Capital Requirement of the Issuer and/or SGAM at the time of such Interest Payment, or non-compliance with the Minimum Capital Requirement of the Issuer and/or SGAM would occur immediately following, and as a result of making, such Interest Payment;
- (iii) the amount of such Interest Payment when aggregated together with any interest amounts or distributions which have been paid or made or which are scheduled simultaneously to be paid or made on all Tier 1 Own Funds (excluding any such payments which do not reduce the Issuer's Distributable Items and any payments already accounted for by way of deduction in determining the Issuer's Distributable Items) since the end of the latest financial year of the Issuer and prior to, or on, such Interest Payment Date, would exceed the amount of the Issuer's Distributable Items as at the Interest Payment Date in respect of such Interest Payment; or
- (iv) the Issuer is otherwise required by the Relevant Supervisory Authority or under the Solvency II Regulations (on the basis that the Notes are intended to qualify as Tier 1 Own Funds) to cancel the relevant Interest Payment.

(each, a **Mandatory Interest Cancellation Event**).

provided however, that the relevant Interest Payment Date will not be a Mandatory Cancellation Interest Payment Date in relation to such Interest Payment (in whole or in part, as applicable), to the extent permitted by the Solvency II Regulations, if, cumulatively:

- (A) the Mandatory Interest Cancellation Event is of the type described in paragraph (i) above only;
- (B) the Relevant Supervisory Authority has exceptionally waived the cancellation of the Interest Payment;
- (C) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that payment of the Interest Payment would not further weaken the solvency position of the Issuer or SGAM; and
- (D) the Minimum Capital Requirement will be complied with immediately following such Interest Payment, if made.

Margin means 4.411 per cent. *per annum*.

Minimum Capital Requirement means the minimum capital requirement (MCR) of the Issuer and the minimum consolidated group solvency capital requirement, all as defined and, in accordance with, the Solvency II Regulations.

Mutual Certificates means any mutual certificates (*certificats mutualistes*) that may be issued from time to time by the Issuer in accordance with articles L. 322-26-8 *et seq.* of the French *Code des assurances*.

Noteholder means any person whose name appears in the account of the relevant Account Holder as being entitled to Notes.

Obligation means any payment obligation expressed to be assumed by or imposed on, the Issuer under or arising as a result of any contract, agreement, document, instrument or conduct or relationship or by operation of law (including any bonds or notes).

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

Ordinary Subordinated Obligations means any Obligations of the Issuer which constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and which rank and will at all times rank (a) equally and rateably with any other existing or future Ordinary Subordinated Obligations but (b) senior to all present and future *titres participatifs* issued by the Issuer, *prêts participatifs* granted to the Issuer, Deeply Subordinated Obligations of the Issuer and Mutual Certificates of the Issuer and (c) junior to Senior Subordinated Obligations and Unsubordinated Obligations.

Own Fund Items means the amount of eligible “own fund-items” (or any equivalent terminology employed by the relevant rules) of the Issuer or the SGAM on a combined or consolidated basis.

Prevailing Principal Amount means the Principal Amount as reduced from time to time by any Write-Down and as increased from time to time by any Discretionary Reinstatement.

Principal Amount means the principal amount of each Note on the Issue Date being EUR100,000.

Prior Approval of the Relevant Supervisory Authority means the prior written approval of the Relevant Supervisory Authority, if such approval is required at the time under any applicable Solvency II Regulations.

Rate of Interest means (i) from and including the Issue Date to but excluding the First Reset Date, 4.375 per cent. *per annum* and (ii) from and including the First Reset Date, the relevant Reset Rate of Interest.

Rating Agency means S&P or any other rating agency of equivalent international standing (and their respective successors or affiliates) solicited by the Issuer to grant a credit rating to the Issuer.

Rating Methodology Event will be deemed to occur upon a change in the methodology of a Rating Agency (or in the interpretation of such methodology) as a result of which the equity content previously assigned by such Rating Agency to the Notes is, in the reasonable opinion of the Issuer, materially reduced when compared to the equity content assigned by such Rating Agency to the Notes at or around the Issue Date.

A **Redemption Alignment Event** will be deemed to have occurred if at any time, the Issuer determines, in consultation with the Relevant Supervisory Authority, if required pursuant to

Solvency II Regulations, that the option to redeem or purchase the Notes upon the occurrence of a Gross-up Event or Withholding Tax Event from the fifth anniversary of the Issue Date without such redemption or purchase being funded out of the proceeds of a new issuance of own-funds capital of the same or higher quality as the Notes would not cause the Notes to no longer be treated under the Solvency II Regulations as Tier 1 Own Funds regulatory capital (or whatever the terminology employed by the Solvency II Regulations) and gives not less than thirty (30) nor more than forty-five (45) calendar days' notice of such fact to the Fiscal Agent and the Noteholders.

Redemption Date means the effective date of redemption of the Notes.

Regulatory Deficiency means (i) the own funds regulatory capital (or whatever the terminology employed by the Solvency II Regulations) of the Issuer or of SGAM is not sufficient to cover the capital requirement (or whatever the terminology employed by the Solvency II Regulations) of the Issuer or of SGAM, whichever occur the earlier, and either a cancellation of interest is required or a redemption or repayment of principal is prohibited under the Solvency II Regulations in order for the Notes to qualify as " Tier 1 Own Funds regulatory capital (or whatever terminology is employed by the Solvency II Regulations) or (ii) the Relevant Supervisory Authority has notified the Issuer that it has determined, in view of the financial condition of the Issuer and/or any entity of SGAM, that in accordance with applicable regulations at such time, the Issuer must take specified action in relation to payments under the Notes.

For the avoidance of doubt, a Regulatory Deficiency would be deemed to have occurred when the Issuer or SGAM fails to meet the solvency capital requirement or minimum capital requirement (both as defined in the Solvency II Directive).

Regulatory Event means that, after the Issue Date, the Issuer (i) is subject to regulatory supervision by the Relevant Supervisory Authority, and (ii) is not permitted to treat the aggregate net proceeds of the Notes (in whole or in part) that are outstanding as eligible for the purpose of the determination of the solvency margin or capital adequacy levels of the Issuer and/or SGAM as Tier 1 Own Funds regulatory capital (or whatever terminology is employed by the Solvency II Regulations at the time), except as a result of the application of the limits on inclusion of such securities in the regulatory capital.

Relevant Supervisory Authority means any relevant regulator having jurisdiction over the Issuer and/or SGAM, in the event that the Issuer and/or SGAM is required to comply with certain applicable solvency margins or capital adequacy levels. The current Relevant Supervisory Authority is the *Autorité de contrôle prudentiel et de résolution*.

Reset Date means the First Reset Date, the 5th anniversary thereof and each subsequent 5th anniversary of the previous 5th anniversary thereof.

Reset Period means each period from, and including, a Reset Date to, but excluding the next succeeding Reset Date.

Reset Rate means the 5-year Mid-Swap Rate on the Reset Rate Determination Date.

Reset Rate Determination Date means, in respect of each Reset Period, the day falling two Business Days prior to the relevant Reset Date.

Reset Rate of Interest means the sum, converted from an annual basis to a semi-annual basis, of (A) the Reset Rate applicable to the Reset Period in which that Interest Period falls and (B) the Margin (rounded to three decimal places with 0.0005 rounded down), all as determined by the Calculation Agent in accordance with Condition 5 and which in no circumstances shall be less than zero.

The current market convention for semi-annual rate conversion from an annual rate is as follows:

$$2 \times \sqrt{\text{Reset Rate} + \text{Margin} + 1 - 1}$$

SCR Ratio means the sum of all Own Fund Items divided by the Solvency Capital Requirement, calculated on a combined or consolidated basis, using the latest available values.

Senior Subordinated Obligations means any Obligations which constitute direct, unsecured and subordinated obligations of the Issuer and which rank and will at all times rank (i) equally and rateably with any other existing or future Senior Subordinated Obligations, (ii) in priority to present and future Mutual Certificates, Deeply Subordinated Obligations, Ordinary Subordinated Obligations, *prêts participatifs* granted to, and *titres participatifs* issued by the Issuer, and (iii) behind Unsubordinated Obligations.

SGAM means the combined group (*groupe combiné*) of SGAM AG2R La Mondiale Matmut (which shall be renamed SGAM AG2R La Mondiale subject to the approval of the *Autorité de contrôle prudentiel et de résolution* on 2 December 2019 and which includes, as of the Issue Date the combination of two perimeters, AG2R Prévoyance and La Mondiale) evolving from time to time.

Solvency II Directive means Directive 2009/138/EC of the European Union of 25 November 2009 (as amended, as the case may be) on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), which has been transposed under French law by the ordinance (*ordonnance*) no. 2015-378 dated 2 April 2015 completed by the decree (*décret*) no. 2015-513 dated 7 May 2015 and the order (*arrêté*) of the same date (or, if the Issuer becomes domiciled in a jurisdiction other than France, which must be transposed by member states of the European Economic Area pursuant to Article 309).

Solvency II Regulations means, as from (and including) the date of entry into force of the implementation of the Solvency II Directive in France, the solvency margin, capital adequacy regulations or any other regulatory capital rules which are applicable in France (or if the Issuer and/or SGAM becomes domiciled in a jurisdiction other than France, such other jurisdiction), including the Solvency II Directive (and any laws or regulations implementing the Solvency II Directive, in particular by the French ordinance (*ordonnance*) n°2015-378 dated 2 April 2015 completed by the decree (*décret*) no. 2015-513 dated 7 May 2015 and an order (*arrêté*) of the same date and the guidelines and recommendations from time to time of the European Insurance and Occupational Pensions Authority (or any successor authority), as applied and construed by the Relevant Supervisory Authority or an official application or interpretation of those regulations including a decision of a court or tribunal and applicable to the Issuer and/or SGAM, which would lay down the requirements to be fulfilled by financial instruments for inclusion into their own funds regulatory capital (or whatever the terminology that may be retained).

Solvency Capital Requirement has the meaning ascribed to it in the Solvency II Directive.

TARGET 2 Settlement Day means any day on which TARGET System is operating.

TARGET System means the Trans-European Automated Real-time Gross settlement Express Transfer system.

A **Tax Alignment Event** will be deemed to have occurred if at any time the Issuer determines, in consultation with the Relevant Supervisory Authority, that the obligation to pay additional amounts would not cause the Notes to no longer be treated under Solvency II Regulations as Tier 1 Own Funds regulatory capital (or whatever the terminology then employed by the Solvency II Regulations) and gives not less than thirty (30) nor more than forty-five (45) calendar days' notice of such fact to the Fiscal Agent and the Noteholders, in accordance with Condition 14 (*Notices*).

Tax Deductibility Event has the meaning ascribed to it in Condition 6.3 (*Redemption for Taxation Reasons*).

Tier 1 Capital has the meaning given to such term in the Solvency II Regulations from time to time.

Tier 1 Own Funds means subordinated loans or Notes, ordinary shares or any other share capital of any class which constitute Tier 1 Capital for the purposes of the Issuer or SGAM, whether on a solo, combined or consolidated basis. For the avoidance of doubt, the €400,000,000 undated subordinated fixed to floating rate notes issued on 14 October 2003 (ISIN code: FR0010021287), the €200,000,000 undated deeply subordinated fixed to floating rate notes issued on 15 November 2006 (ISIN code: FR0010397885), the €91,000,000 perpetual super subordinated notes issued on 25 November 2005 (ISIN code: OBNC1A301115) and the €768,405,000 reset undated subordinated notes issued on 17 December 2014 (ISIN code: XS1155697243) are considered at the date hereof as Tier 1 Capital.

Trigger Event has the meaning ascribed to it in Condition 7.1 (*Write-Down upon Trigger Event*).

Unsubordinated Obligations means any Obligations (including any bonds or notes) which constitute direct and unsubordinated Obligations of the Issuer and which rank and will at all times rank equally and rateably with any other existing or future Unsubordinated Obligations, but in priority to present and future Deeply Subordinated Obligations, Mutual Certificates, *prêts participatifs* granted to, *titres participatifs* issued by the Issuer, Ordinary Subordinated Obligations and Senior Subordinated Obligations. For the avoidance of doubt, the Unsubordinated Obligations include but are not limited to the claims of the policyholders of the Issuer.

Withholding Tax Event has the meaning ascribed to it in Condition 6 (*Redemption and Purchase*).

Write-Down has the meaning ascribed to it in Condition 7 (*Principal Loss Absorption*).

Write-Down Amount is the amount of the write-down of the Prevailing Principal Amount of the Notes on the applicable Write-Down Date and will be equal to, at the determination of the Issuer:

- (i) the amount that would reduce the Prevailing Principal Amount to EUR 0.01, if the relevant Trigger Event has occurred pursuant to a) or b) of the Trigger Event definition in Condition 7.1 (*Write-Down upon Trigger Event*) to the extent required by the relevant rules applicable at the time of the Trigger Event, or as otherwise required pursuant to alternative requirements under relevant rules; or
- (ii) together with the pro rata conversion or partial write-down of all other Loss Absorbing Tier 1 Instruments of the Issuer or as applicable any member of the SGAM when compared with the Prevailing Principal Amount:
 - (x) the amount necessary to restore the SCR Ratio of the Issuer and/or the SGAM to 100%, to the extent they are below 100%; or
 - (y) if the SCR Ratio of the Issuer and/or the SGAM cannot be restored to 100%, then the amount necessary on a linear basis to reflect the SCR Ratio of the Issuer and/or the SGAM where the Prevailing Principal Amount would be equal to (a) EUR 0.01 if the SCR Ratio of the Issuer and/or the SGAM were 75% and (b) the Initial Principal Amount if the SCR Ratio of the Issuer and/or the SGAM were 100%; or
 - (z) any higher amount that would be required by the relevant rules in force at the time of the Write-Down;

for each paragraph (x), (y) and (z) above, only if the relevant Trigger Event has occurred pursuant solely to c) of the Trigger Event definition in Condition 7.1 (*Write-Down upon Trigger Event*) and if such Write-Down is permitted by the relevant rules applicable at the time of the Trigger Event.

Write-Down Date means any date on which a reduction of the Prevailing Principal Amount will take effect.

Write-Down Notice means a notice which specifies (i) that a Trigger Event has occurred, (ii) the Write-Down Amount and (iii) the Write-Down Date. Any such notice shall be accompanied by a certificate signed by an authorised officer of the Issuer stating that the Trigger Event has occurred and setting out the method of calculation of the relevant Write-Down Amount attributable to the Notes.

Write-Down Testing Date means the date falling three months after the occurrence of the Trigger Event pursuant to Condition 7.1(c) and each subsequent three-month anniversary of the date thereof or any other date determined by the Relevant Supervisory Authority according to the relevant rules.

2. Form, Denomination and Title

The Notes are issued on the Issue Date in dematerialised bearer form (*au porteur*) in the denomination of EUR100,000 each. Title to the Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book-entries (*inscription en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes.

The Notes will, upon issue, be inscribed in the books of Euroclear France (**Euroclear France**), which shall credit the accounts of the Account Holders.

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

3. Status of the Notes

3.1 Deeply Subordinated Obligations

The obligations of the Issuer under the Notes in respect of principal, interest and other amounts, constitute direct, unconditional, unsecured Deeply Subordinated Obligations.

3.2 Payment on the Notes in the event of the liquidation of the Issuer

If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) or, following an order of judicial recovery procedure (*redressement judiciaire*), the sale of the whole business (*cession totale de l'entreprise*) of the Issuer, or if the Issuer is liquidated for any reason, the rights of the Noteholders in respect of principal and interest (including any outstanding Additional Amount, both as defined below) will be subordinated to the payments of claims of other creditors of the Issuer (other than subordinated claims ranking junior to the Notes) including insurance companies and entities referred to in article R.322-132 of the French *Code des assurances* reinsured by the Issuer, holders of insurance policies issued by such entities and creditors with respect to Unsubordinated Obligations, Senior Subordinated Obligations, Ordinary Subordinated Obligations, any *prêts participatifs* and *titres participatifs* granted to the Issuer but paid in priority to payments to holders of Mutual Certificates .

In the event of incomplete payment of creditors ranking senior to holders of the Notes (in the context of voluntary or judicial liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer) the obligations of the Issuer in connection with the Notes and related interest will be terminated.

Pursuant to Article L. 327-2 of the French Code des assurances, a lien over the assets of the Issuer is granted for the benefit of the Issuer's policyholders (sociétaires). Noteholders, even if

they are policyholders (sociétaires) of the Issuer, do not have the benefit of such lien in relation to amounts due under the Notes.

4. Negative Pledge

There will be no negative pledge in respect of the Notes.

5. Interest

5.1 General

- (a) Subject to Condition 5.3 (*Interest Cancellation*), the Notes bear interest on their Prevailing Principal Amount at the applicable Rate of Interest, and interest is payable semi-annually in arrear in equal instalments on each Interest Payment Date.
- (b) Subject to Condition 5.3 (*Interest Cancellation*), the Notes will cease to bear interest from and including the due date for redemption unless payment of the principal in respect of the Notes is improperly withheld or refused on such date or unless default is otherwise made in respect of the payment. In such event, the Notes will continue to bear interest at the relevant Rate of Interest on their remaining unpaid amount until the day on which all sums due in respect of the Notes up to (but excluding) that day are received by or on behalf of the relevant Noteholder.
- (c) Interest from (and including) the First Reset Date:
 - (i) The amount of interest payable per Note shall be calculated by the Calculation Agent by applying the Reset Rate of Interest to the Prevailing Principal Amount on the first Interest Payment Date following the First Reset Date and on any subsequent Interest Payment Date. If the calculation of the Reset Rate of Interest requires the determination of a Replacement Rate, the Calculation Agent will be required to calculate the Reset Rate of Interest only if it has received information regarding the Replacement Rate (or its method of determination) from the Rate Determination Agent.
 - (ii) The Calculation Agent will cause the Reset Rate and Reset Rate of Interest for each Interest Rate Period to be notified to the Issuer and to Euronext Growth and any other multilateral trading facility on which the Notes are for the time being listed (by no later than the first day of each Interest Rate Period) and notice thereof to be given to the Noteholders in accordance with Condition 14 (*Notices*) as soon as possible after their determination but in no event later than the fourth Business Day thereafter. For the purposes of this paragraph, the expression Business Day means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in Paris.
- (d) If interest is required to be calculated for a period other than an Interest Period, such interest shall be calculated by applying the Rate of Interest to the Prevailing Principal Amount, multiplying such sum by the Actual/Actual (ICMA) Day Count Fraction, and rounding the resultant figure to the nearest euro cent, with half of a euro cent being rounded upwards.
- (e) On each Interest Payment Date, the Issuer shall pay interest on the Notes accrued to that date in respect of the Interest Period ending immediately prior to such Interest Payment Date, subject to the provisions of Condition 5.3 (*Interest Cancellation*) below.

5.2 Calculation Agent

The Fiscal Agency Agreement provides that the Issuer may at any time terminate the appointment of the Calculation Agent and appoint a substitute Calculation Agent provided that so long as any of the Notes remain outstanding, there shall at all times be a Calculation Agent for the purposes of the Notes having a specified office in a major European city. In the event of the appointed office of any bank being unable or unwilling to continue to act as the Calculation Agent or failing duly to determine the Reset Rate and the interest amount for any Reset Period, the Issuer shall appoint the European office of another leading bank engaged in the Paris or London interbank market act in its place. The Calculation Agent may not resign its duties or be removed without a successor having been appointed. The Calculation Agent shall act as an independent expert and not as agent for the Issuer or the Noteholders.

The Calculation Agent shall cause the Reset Rate, the Margin and the interest amount for each Reset Period and the relevant Interest Payment Date to be notified to the Issuer, the Fiscal Agent (if different from the Calculation Agent) and each other Paying Agent (if any), to any multilateral trading facility or stock exchange on which the Notes are at the relevant time listed and to the Noteholders as soon as possible after their determination.

Notice of any change of Calculation Agent or any change of specified office shall promptly be given as soon as reasonably practicable to the Noteholders in accordance with Condition 14 (*Notices*) and, so long as the Notes are listed on Euronext Growth and if the rules applicable to such multilateral trading facility so require, to such multilateral trading facility.

5.3 Interest Cancellation

(a) Optional Interest Cancellation

Subject to Condition 5.3(b), the Issuer may, at its option, elect to cancel in full or in part the Interest Payment in relation to any Optional Cancellation Interest Payment Date, whereupon the Issuer shall not have any obligation to pay such Interest Payment on an Optional Cancellation Interest Payment Date.

(b) Mandatory Interest Cancellation

On any Mandatory Cancellation Interest Payment Date, the Issuer will be obliged to cancel payment of all or part (as applicable) of the interest accrued in respect of the Notes during the relevant Interest Period.

(c) Non-cumulative Interest

Any Interest Payment which is not paid on any Interest Payment Date shall forthwith be cancelled, shall not accumulate or be payable at any time thereafter, and such non-payment will not constitute a default or an event of default by the Issuer or for any other purpose, and shall not give Noteholders any right to accelerate the Notes.

If the Issuer fails to pay any Interest Payment on an Interest Payment Date, such non-payment shall evidence that the Issuer has elected, or is required, to cancel such Interest Payment in accordance with the foregoing provisions.

(d) Notice of Cancellation

If practicable under the circumstances, the Issuer shall give not less than five (5) nor more than thirty (30) Business Days' prior notice to the Noteholders in accordance with Condition 14 (*Notices*) of any cancellation of any interest under the Notes on any Interest Payment Date, whether it results from Optional Interest Cancellation or Mandatory Interest Cancellation.

So long as the Notes are listed on Euronext Growth and the rules of such multilateral trading facility so require, notice of any such cancellation shall also be given as soon as reasonably practicable to such multilateral trading facility.

This notice will not be a condition to the cancellation of interest. Any delay or failure by the Issuer to give such notice shall not affect the cancellation described above nor constitute a default or event of default by the Issuer for any purpose.

5.4 Benchmark Event

If a Benchmark Event occurs in relation to the Original Reference Rate when the Rate of Interest (or any component part thereof) remains to be determined by reference to the Original Reference Rate, then the following provisions shall apply and shall prevail over other fallbacks specified in the definition of 5-year Mid-Swap Rate.

(a) **Independent Adviser**

The Issuer shall use its 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 5.4(a)) and, in either case, an Adjustment Spread if any (in accordance with Condition 5.4(c)) and any Benchmark Amendments (in accordance with Condition 5.4(d)).

An Independent Adviser appointed pursuant to this Condition 5.4 shall act in good faith in a commercially reasonable manner as an independent expert. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Agents or the Noteholders for any determination made by it, pursuant to this Condition 5.4.

(b) **Successor Rate or Alternative Rate**

If the Independent Adviser determines in good faith and in a commercially reasonable manner that:

- (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5.4(c)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 5.4); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5.4(c)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 5.4).

(c) **Adjustment Spread**

If the Independent Adviser determines in good faith and in a commercially reasonable manner (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 the Rate of Interest (or a relevant component thereof) by reference to such Successor Rate or Alternative Rate, (as applicable).

(d) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5.4(d) and the Independent Adviser, determines in good faith and in a commercially reasonable manner (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5.4(e), without any requirement for the consent or approval of the Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

For the avoidance of doubt, and in connection with any such variation in accordance with this Condition 5.4(d), the Issuer shall comply with the rules of any multilateral trading facility or stock exchange on which the Notes are for the time being listed or admitted to trading.

(e) Notices

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 5.4 will be notified promptly by the Issuer, after receiving such information from the Independent Adviser, to the Agents and, in accordance with Condition 14, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any)) be binding on the Issuer, the Agents and the Noteholders.

(f) Survival of Original Reference Rate

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5.4 prior to the relevant Determination Date, the 5-year Mid-Swap Rate applicable to the next succeeding Interest Rate Period shall be equal to the last 5-year Mid-Swap Rate available on the Screen Page as determined by the Calculation Agent.

For the avoidance of doubt, this Condition 5.4 shall apply to the relevant next succeeding Interest Rate Period only and any subsequent Interest Rate Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 5.4.

Without prejudice to the obligations of the Issuer under this Condition 5.4, the Original Reference Rate and the fallback provisions provided for in the definition of 5-year Mid Swap Rate will continue to apply unless and until a Benchmark Event has occurred.

(g) New Benchmark Event in respect of the Successor Rate or Alternative Rate

If Benchmark Amendments have been implemented pursuant to this Condition 5.4 and a new Benchmark Event occurs in respect of the then applicable Successor Rate or Alternative Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser and ensure that the provisions of this Condition 5.4 shall apply as if the Successor Rate or Alternative Rate were the Original Reference Rate.

(h) Disqualification

If the provisions of this Condition 5.4 would cause the Notes to cease qualifying as Tier 1 Own Funds by reason of the level of the Successor Rate or Alternative Rate (as confirmed by an authorised officer of the Issuer), the Margin will be adjusted to such extent as is necessary (as confirmed by an authorised officer of the Issuer) to ensure continued qualification as Tier 1 Own Funds, provided that the Margin shall never be negative.

Notwithstanding any other provision of this Condition 5.4, no Successor Rate or Alternative Rate will be adopted, nor will any other Benchmark Amendments to the Conditions be made, if and to the extent that, (as confirmed by an authorised officer of the Issuer), the same would cause the Notes to cease qualifying as Tier 1 Own Funds of the Issuer or as other equivalent regulatory capital of the Issuer under the relevant rules.

Any certificate referred to above signed by an authorised officer of the Issuer shall, in the absence of manifest error, be treated and accepted by the Issuer, the Noteholders and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent shall be entitled to rely on such certificate without liability to any person.

(i) Definitions

As used in this Condition 5.4:

Adjustment Spread means either a spread (which may be positive or negative), or the formula or the 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:

- (i) 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; or
- (ii) if no recommendation required under (i) above has been made or in the case of an Alternative Rate, the Independent Adviser determines and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate as the case may be; or
- (iii) if the Independent Adviser determines that no such industry standard is recognised or acknowledged, the spread, formula or methodology which the Independent Adviser (acting in good faith) determines to be appropriate;

Alternative Rate means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5.4(b) and which is customary in market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a determined interest period in euro;

Benchmark Amendments has the meaning given to it in Condition 5.4(d);

Benchmark Event means:

- (a) the Original Reference Rate ceasing to be published for a period of at least 10 Business Days or ceasing to exist; or

- (b) a public statement by the administrator of the Original Reference Rate that it will, by a specified date within the following six months, 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); or
- (c) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (d) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or that its use will be subject to restrictions which would not allow its further use in respect of the Notes, in each case within the following six months; or
- (e) a public statement by the supervisor of the administrator of the Original Reference Rate that, in the view of such supervisor, such Original Reference Rate is no longer representative of an underlying market or the methodology to calculate such Original Reference Rate has materially changed; or
- (f) it has become unlawful for the Fiscal Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate;

For the avoidance of doubt, in respect of paragraphs (b), (c), (d) and (e) above, such public statement will not constitute a Benchmark Event before the date falling six months prior the date specified in the relevant public announcement on which the Original Reference Rate is permanently or indefinitely discontinued or prohibited.

Independent Adviser means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer at its own expenses under Condition 5.4(a);

Original Reference Rate means the 5-year Mid-Swap Rate;

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

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

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body, and if, following a Benchmark Event, two (2) or more successor or replacement rates are recommended by any Relevant Nominating Body, the Independent Adviser, shall determine which of those successor or replacement rates is most appropriate, having regard to, *inter alia*, the particular features of the relevant Notes and the nature of the Issuer.

5.5 Notifications, etc. to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5, by the Fiscal Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Fiscal Agent, the Paying Agent and all Noteholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Issuer or the Noteholders shall attach to the Fiscal Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition.

6. Redemption and Purchase

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

6.1 No Redemption Date

The Notes are perpetual notes in respect of which there is no maturity or redemption date. The Issuer shall be entitled to redeem the Notes only in accordance with the provisions below, and the Noteholders shall have no right to require the Issuer to redeem the Notes in any circumstances.

6.2 Optional Redemption from the First Call Date

The Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), subject to having given not more than thirty (30) nor less than fifteen (15) calendar days' prior notice to the Fiscal Agent and to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), redeem the Notes in whole, but not in part, at their Base Call Price, at any time from the First Call Date to and including the First Reset Date and on any Interest Payment Date falling thereafter.

6.3 Redemption for Taxation Reasons

- (1) If, by reason of a change in any French law or regulation, or any change in the official application or interpretation thereof, becoming effective after the Issue Date, the Issuer would, on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay Additional Amounts as specified in Condition 9 (a **Gross-Up Event**), the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' prior notice to the Fiscal Agent and to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), redeem the Notes in whole, but not in part, at their Base Call Price, provided that the due date for redemption shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal or interest without withholding or deduction for French taxes.
- (2) If the Issuer would on the next payment of principal or interest in respect of the Notes be obliged to pay Additional Amounts as specified under Condition 9 and the Issuer would be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay Additional Amounts contained in Condition 9 (a **Withholding Tax Event**), then the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*) and upon giving not less than seven (7) calendar days' prior notice to the Fiscal Agent and the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), redeem the Notes in whole, but not in part, at their Base Call Price, on the latest practicable date on which the Issuer could make payment of the full amount of principal or

interest payable in respect of the Notes or, if such date is past, as soon as practicable thereafter.

- (3) If, an opinion of a recognised law firm of international standing has been delivered to the Issuer and the Fiscal Agent, stating that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in the part of the interest payable by the Issuer in respect of the Notes that is tax-deductible being reduced (a **Tax Deductibility Event**), so long as this cannot be avoided by the Issuer taking reasonable measures available to it at the time, the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), redeem the Notes in whole, but not in part, at their Base Call Price, on the latest practicable date on which the Issuer could make such payment with the part of the interest payable under the Notes being tax-deductible not being reduced or, if such date is past, as soon as practicable thereafter. The Issuer shall give the Fiscal Agent and the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable) notice of any such redemption not less than thirty (30) nor more than forty-five (45) calendar days before the date fixed for redemption and the Fiscal Agent shall promptly thereafter publish a notice of redemption in accordance with Condition 12.

6.4 Optional Redemption for Regulatory Reasons

If, at any time, the Issuer determines that a Regulatory Event has occurred with respect to the Notes on or after the Issue Date, the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), redeem the Notes in whole, but not in part, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' prior notice to the Fiscal Agent and to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), at their Base Call Price.

6.5 Optional Redemption for Rating Reasons

If, at any time, the Issuer determines that a Rating Methodology Event has occurred with respect to the Notes on or after the Issue Date, the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), redeem the Notes subject to having given not more than forty-five (45) nor less than thirty (30) days' prior notice to the Fiscal Agent and the Noteholders in accordance with Condition 14 (*Notices*), in whole, but not in part, at the option of the Issuer, at any time, at their Base Call Price.

6.6 Clean-up Redemption

The Issuer may, at any time, elect, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), to redeem all, but not some only, of the Notes at their Base Call Price if 80% (eighty per cent.) or more of the Notes issued on the Issue Date (and, if applicable, on the relevant issue date(s) of any further notes issued pursuant to Condition 14 (*Notices*)) has been purchased and cancelled at the time of such election.

6.7 Purchases

The Issuer may, at any time, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), purchase Notes in the open market or otherwise at any price in accordance with applicable laws and regulations. All Notes so purchased by the Issuer may (i) be held and resold in accordance with Articles L.213-0-1 and D.213-0-1 of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Notes or (ii) be cancelled in accordance with Article L.228-74 of the French *Code de commerce*.

6.8 Cancellation

All Notes which are redeemed or purchased for cancellation by the Issuer pursuant to this Condition 6 will forthwith be cancelled (together with rights to interest any other amounts relating thereto) by transfer to an account in accordance with the rules and procedures of Euroclear France.

Any Notes so cancelled may not be resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

6.9 Conditions to Redemption and Purchase

The Notes may not be redeemed or purchased pursuant to any of the redemption provisions referred to above if:

- (i) a Regulatory Deficiency has occurred and is continuing on the due date for redemption or such redemption would itself cause a Regulatory Deficiency, except, only in respect of breach of the Solvency Capital Requirement of the Issuer and/or the SGAM if (a) the Relevant Supervisory Authority has exceptionally waived the suspension of redemption or purchase, (b) the Notes have been exchanged for or converted into another Tier 1 Own Fund of at least the same quality and (c) the Minimum Capital Requirement of the Issuer and/or SGAM is complied with after the redemption or purchase (the **Conditions to Redemption and Purchase**); or
- (ii) an Insolvent Insurance Affiliate Winding-up has occurred and is continuing on the date due for redemption or purchase (to the extent required under the Solvency II Regulations in order for the Notes to be treated under the Solvency II Regulations as Tier 1 Own Funds of the Issuer and/or the SGAM except to the extent permitted under the Solvency II Regulations and with the Prior Approval of the Relevant Supervisory Authority.

Notwithstanding any other provision therein, the Notes may only be redeemed or purchased to the extent provided in the prevailing Solvency II Regulations.

Should a Regulatory Deficiency or an Insolvent Insurance Affiliate Winding-up occur after a notice for redemption has been given to the Noteholders, such redemption notice would become automatically void and notice thereof would be given promptly by the Issuer.

If practicable under the circumstances, the Issuer will give notice to the Noteholders and to the Fiscal Agent of any deferral of the redemption of the Notes. This notice will not be a condition to the deferral of redemption. Any delay or failure by the Issuer to give such notice shall not affect the deferral described above.

The Notes may not be redeemed or purchased upon the occurrence of a Rating Methodology Event or if the conditions for a Clean-up Redemption are met, prior to the fifth anniversary of the Issue Date, unless the redemption or purchase has been funded out of the proceeds of a new issuance of own-funds capital of the same or higher quality as the Notes, if required pursuant to Solvency II Regulations.

The Notes may not be redeemed upon the occurrence of a Regulatory Event prior to the fifth anniversary of the Issue Date, unless (i) (x) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement is exceeded by an appropriate margin (taking into account the position of the Issuer including the Issuer's medium-term capital plan) and (y) the Issuer demonstrates to the satisfaction of the Relevant Supervisory Authority that the Regulatory Event was not reasonably foreseeable at the time of the issuance of the Notes and (z) the Relevant Supervisory Authority considers such change in the regulatory classification of the Notes to be sufficiently certain and/or (ii) the redemption or purchase has been funded out of the proceeds of a

new issuance of own-funds capital of the same or higher quality as the Notes, in each case, if required pursuant to Solvency II Regulations.

The Notes may not be redeemed upon the occurrence of a Tax Deductibility Event or, if a Redemption Alignment Event has occurred, a Withholding Tax Event or a Gross-up Event prior to the fifth anniversary of the Issue Date, unless (i) (x) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement is exceeded by an appropriate margin (taking into account the position of the Issuer including the Issuer's medium-term capital plan) and (y) the Issuer demonstrates to the satisfaction of the Relevant Supervisory Authority that the Tax Deductibility Event, the Withholding Tax Event or, as the case may be, the Gross-up Event is material and was not reasonably foreseeable at the time of the issuance of the Notes and/or (ii) the redemption or purchase has been funded out of the proceeds of a new issuance of own-funds capital of the same or higher quality as the Notes, in each case, if required pursuant to Solvency II Regulations.

The Notes may not be redeemed or purchased upon the occurrence of a Tax Deductibility Event or, if a Redemption Alignment Event has occurred, a Withholding Tax Event or a Gross-up Event, a Regulatory Event, a Rating Methodology Event or if the conditions for a Clean-up Redemption are met, after the fifth anniversary of the Issue Date and before the tenth anniversary of the Issue Date, or any other such period prescribed by the Solvency II Regulations, unless (i) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement is exceeded by an appropriate margin (taking into account the position of the Issuer including the Issuer's medium-term capital plan) or (ii) the redemption or purchase has been funded out of the proceeds of a new issuance of own-funds capital of the same or higher quality as the Notes.

7. Principal Loss Absorption

7.1 Write-Down upon Trigger Event

A **Trigger Event** shall be deemed to have occurred if, at any time, the Issuer determines that any of the following has occurred:

- (a) the amount of own funds eligible to cover the Solvency Capital Requirement of the Issuer, or the SGAM (as the case may be) determined under the relevant rules is equal to or less than 75 per cent. of the Solvency Capital Requirement; or
- (b) the amount of own funds eligible to cover the Minimum Capital Requirement of the Issuer, or the SGAM (as the case may be) determined under the relevant rules is equal to or less than the Minimum Capital Requirement; or
- (c) the amount of own funds eligible to cover the Solvency Capital Requirement of the Issuer, or the SGAM (as the case may be) has been less than the Solvency Capital Requirement for a continuous period of three months (commencing on the date on which non-compliance with such Solvency Capital Requirement was first observed).

If a Trigger Event pursuant to (a), (b) or (c) above has occurred, the Issuer shall deliver a Write-Down Notice to the Noteholders and to Euronext Growth in accordance with Condition 14 (*Notices*) as soon as practicable after such event.

7.2 Write-Down procedure

If a Trigger Event occurs:

- (i) the Issuer shall immediately notify the Relevant Supervisory Authority; and

- (ii) any interest which is accrued and unpaid up to (and including) the Write-Down Date (whether or not such interest has become due for payment) shall be automatically cancelled (it being specified that such cancellation shall not constitute a default or event of default of the Issuer for any purpose); and
- (iii) the Issuer shall promptly (and without the need for the consent of the Noteholders) write-down the Notes by reducing the Prevailing Principal Amount by the Write-Down Amount (such action a **Write-Down** and **Written Down** being construed accordingly).

Any such Write-Down shall be applied in respect of each Note equally.

A Write-Down of the Notes shall not constitute a default or event of default in respect of the Notes or a breach of the Issuer's obligations or duties or a failure to perform by the Issuer in any manner whatsoever, and shall not entitle Noteholders to accelerate the Notes, to petition for the insolvency or dissolution of the Issuer or to take any other action.

Following a Write-Down, Noteholders will be automatically deemed to waive irrevocably their rights to receive, and no longer have any rights against the Issuer with respect to, any principal amount by which the Notes have been Written-Down (without prejudice to the rights of Noteholders in respect to any reinstated principal amounts following a Discretionary Reinstatement).

A Write-Down may occur on one or more occasions following each Write-Down Testing Date and each Note may be Written-Down on more than one occasion. Accordingly, if, after a Write-Down, a Trigger Event pursuant to Condition 7.1(c) occurs at any Write-Down Testing Date, a further Write-Down shall be required.

To the extent that the Prevailing Principal Amount of the Notes has been Written-Down, interest shall accrue on such Written-Down Prevailing Principal Amount in accordance with these Conditions as from the relevant Write-Down Date.

In addition, if the write-down of, or, as the case may be, conversion of any Loss Absorbing Tier 1 Instrument of the Issuer or as applicable any member of the SGAM is not, or by the relevant Write-Down Date will not be, effective:

- 1) the ineffectiveness of any such reduction or, as the case may be, conversion shall not prejudice the requirement to effect a reduction to the Prevailing Principal Amount pursuant to this Condition; and
- 2) the write-down of, or, as the case may be, conversion of any such Loss Absorbing Tier 1 Instrument which is not, or by the Write-Down Date will not be, effective shall not be taken into account in determining such reduction of the Prevailing Principal Amount.

To the extent permitted by the relevant rules applicable at the time of the Trigger Event and subject that no previous Trigger Event have occurred pursuant to Condition 7.1 (a) or 7.1 (b) , the Relevant Supervisory Authority may exceptionally waive the Write-Down with respect to the Trigger Event specified in Condition 7.1 (c) on the basis of receiving both following pieces of information: (i) when the Issuer submits the recovery plan required by Article 138(2) of the Solvency II Directive, projections that demonstrate that triggering the Write-Down in that case would be very likely to give rise to a tax liability that would have a significant adverse effect on the solvency position of the Issuer or the SGAM and (ii) a certificate issued by the Issuer's statutory auditors certifying that all of the assumptions used in the projections are realistic.

7.3 Discretionary Reinstatement

Following any reduction of the Prevailing Principal Amount pursuant to Condition 7 (*Principal Loss Absorption*), the Issuer may to the extent permitted by the relevant rules applicable at the relevant time and provided that this Condition 7.3 shall not apply to the extent that the existence of such provision would cause the occurrence of a Regulatory Event, at its discretion, increase the Prevailing Principal Amount of the Notes (a **Discretionary Reinstatement**) on any date and in any amount that it determines in its discretion (either to the Principal Amount or to any lower amount) provided that such Discretionary Reinstatement:

- (A) is permitted only if the Issuer and/or the SGAM comply with the Solvency Capital Requirement of the Issuer and/or the SGAM following such Discretionary Reinstatement;
- (B) is not activated by reference to Own Fund Items issued or increased in order to restore compliance with the Solvency Capital Requirement of the Issuer and/or the SGAM;
- (C) occurs only on the basis of profits which contribute to Issuer's Distributable Items made subsequent to the restoration of compliance with the Solvency Capital Requirement of the Issuer and/or the SGAM in a manner that i) does not undermine the loss absorbency intended by Article 71(5) of the Solvency II Regulation and ii) does not hinder recapitalisation as required by Article 71(1)(d) of the Solvency II Regulation;
- (D) does not result in a Trigger Event;
- (E) occurs no later than ten (10) years since the last Write-Down Date; and
- (F) is authorised only if the Issuer and/or the SGAM is not subject to any Administrative Procedure and provided that if the Issuer and/or the SGAM has been subject to such Administrative Procedure, the Relevant Supervisory Authority has formally notified the Issuer and/or the SGAM of the end of such Administrative Procedure.

A Discretionary Reinstatement may occur on one or more occasions until the Prevailing Principal Amount of the Notes has been reinstated to the Principal Amount. Any decision by the Issuer to effect or not to effect any Discretionary Reinstatement on any occasion shall not preclude it from effecting or not effecting any Discretionary Reinstatement on any other occasion.

Any Discretionary Reinstatement shall be applied in respect of each Note equally.

Notice of any Discretionary Reinstatement shall be given to the Noteholders and Euronext Growth in accordance with Condition 14 (*Notices*) as soon as possible and no later than five (5) Business Days prior to the date on which such Discretionary Reinstatement becomes effective.

Notice of disapplication of this Condition 7.3 shall be given to the Noteholders in accordance with Condition 14 (*Notices*) as soon as the Issuer is aware that the existence of Condition 7.3 would cause a Regulatory Event.

8. Payments

8.1 Method of Payment

Payments of principal, interest (including, for the avoidance of doubt, any Additional Interest Amounts) and other amounts in respect of the Notes will be made in Euro, by transfer to a EUR-denominated account (or any other account to which Euro may be credited or transferred) specified by the payee in a country within the TARGET 2 System. Such payments shall be made for the benefit of the Noteholders to the Account Holders and all payments made to such Account Holders

in favour of Noteholders will be an effective discharge of the Issuer and the Fiscal Agent, as the case may be, in respect of such payment.

None of the Issuer, the Fiscal Agent or the Paying Agents shall be liable to any Noteholder or other person for any commission, costs, losses or expenses in relation to, or resulting from, the credit or transfer of Euro, or any currency conversion or rounding effect in connection with such payment being made in Euro.

Payments in respect of principal and interest on the Notes will, in all cases, be made subject to any fiscal or other laws and regulations or orders of courts of competent jurisdiction applicable in respect of such payments to the Issuer, the relevant Paying Agent, the relevant Account Holder or, as the case may be, the person shown in the records of Euroclear France, Euroclear or Clearstream as the holder of a particular nominal amount of Notes, but without prejudice to the provisions of Condition 9 (*Taxation*).

8.2 Payments on Business Days

If any due date for payment of principal, interest or other amounts in respect of any Note is not a Business Day, then the holder of such Note shall not be entitled to payment of the amount due until the next following Business Day and will not be entitled to any interest or other sums with respect to such postponed payment.

8.3 Fiscal Agent, Paying Agents and Calculation Agent

The name of the initial Fiscal Agent, Principal Paying Agent and Calculation Agent and its specified office are set out below:

BNP Paribas Securities Services
Les Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin

FranceThe Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or a Paying Agent and/or appoint additional or other Paying Agents or approve any change in the office through which any such Agent acts, provided that there will at all times be a Fiscal Agent and a Principal Paying Agent having a specified office in a European city. Notice of any such change or any change of specified office shall promptly be given as soon as reasonably practicable to the Noteholders in accordance with Condition 14 (*Notices*) and, so long as the Notes are listed on Euronext Growth and if the rules applicable to such multilateral trading facility so require, to such multilateral trading facility.

Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than forty-five (45) nor less than thirty (30) calendar days' notice thereof shall have been given to the Noteholders by the Issuer in accordance with Condition 14 (*Notices*).

9. Taxation

All payments in respect of the Notes shall be made free and clear of, and without 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 any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law.

If French law should require that payments of principal or interest made by the Issuer in respect of any Note be subject to withholding or deduction in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature, and provided a Tax Alignment Event has occurred and is continuing, the Issuer, will, to the fullest extent then permitted by law, pay such additional amounts (**Additional Amounts**) as shall result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note 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 by reason of his having some connection with the Republic of France other than the mere holding of the Note.

10. Prescription

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

11. Variation and Substitution of the Notes

- (a) If a Regulatory Event, a Rating Event or an event pursuant to which the Issuer has the right to redeem the Notes pursuant to Condition 6.3 (*Redemption for Tax Reasons*) (and subject to the occurrence of a Redemption Alignment Event) occurs, the Issuer may, at any time, without any requirement for the consent or approval of the Noteholders, vary the Conditions or substitute all (and not some only) of the Notes for other Notes, so that the varied Notes or the substituted Notes, as the case may be, become Qualifying Equivalent Securities.
- (b) The principal amount of the Qualifying Equivalent Securities to be received by Noteholders in any substitution will have the same Principal Amount or Prevailing Principal Amount as the Notes prior to variation or substitution.
- (c) Any variation or substitution of the Notes is subject to its prior notification by the Issuer to the Noteholders by no more than sixty (60) nor less than thirty (30) calendar days' prior notice (which notice shall be irrevocable and shall specify the date fixed for such variation or substitution) in accordance with Condition 14 (*Notices*) and to:
 - (i) the Issuer giving at least six (6) months' prior written notice to, and receiving no objection from, the Relevant Supervisory Authority (or such shorter period of notice as the Relevant Supervisory Authority may accept and so long as such notice is required to be given);
 - (ii) the Issuer being in compliance with the Solvency II Regulations on the date of such variation or substitution, and such variation or substitution not resulting directly or indirectly in a breach of the Solvency II Regulations;
 - (iii) the Issuer complying with the rules of any multilateral trading facility or stock exchange (or any other relevant authority) on which the Issuer has had its Notes listed or admitted to trading, and (for so long as the rules of such exchange or relevant authority require) the publication of any appropriate supplement, listing particulars or offering circular in connection therewith;
 - (iv) the issue of legal opinions addressed to the Fiscal Agent from one or more independent legal advisers of recognised standing confirming that (x) the Issuer has capacity to assume all rights and obligations under the new substituted Notes or varied Notes and has obtained all necessary corporate or governmental authorisation

to assume all such rights and obligations and (y) the legality, validity and enforceability of the new exchanged Notes or varied Notes; and

- (v) the full payment on the immediately preceding Interest Payment Date (if any) of all interest amounts due on such date (subject to their cancellation under these Conditions).
- (d) **Qualifying Equivalent Securities** means securities which have terms not being materially less favourable to the interests of the Noteholders as determined by the senior management of the Issuer in consultation with an Independent Agent, and provided that a certification to such effect shall have been delivered by an authorised officer of the Issuer to the Fiscal Agent (including as to the consultation with the Independent Agent and in respect of the matters specified in (i) to (vi) below) for the benefit of the Noteholders prior to the variation or substitution (upon which the Fiscal Agent shall be entitled to rely without liability to any person) and which:
- (i) satisfy the criteria for the eligibility for inclusion of the proceeds of the Notes, under the tier one own funds regulatory capital;
 - (ii) shall bear at least the same interest rate basis from time to time to that applying to the Notes and preserve the Interest Payment Dates;
 - (iii) contain new terms providing for cancellation and suspension of payments of interest or principal only if such terms are not materially less favourable to an investor than the cancellation and suspension provisions, respectively contained in Condition 4 (*Interest*) and Condition 6 (*Redemption and Purchase*);
 - (iv) shall rank at least *pari passu* with the Notes (prior to variation or substitution);
 - (v) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including (without limitation) as to timing of, and amounts payable upon such redemption; and
 - (vi) preserve any rights under the Conditions to any accrued interest, and any existing rights to other amounts payable under the Notes which have accrued to Noteholders and not been paid.

12. Enforcement Events

There are no events of default in respect of the Notes. However, each Note shall become immediately due and payable at its Prevailing Principal Amount, together with accrued interest thereon, if any, to the date of payment (including any Additional Amounts thereon), in the event that a judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*), or if the Issuer is liquidated for any other reason.

13. Representation of the Noteholders

The Noteholders will be grouped automatically for the defence of their respective common interests in a *masse* (hereinafter referred to as the *Masse*) which will be governed by the provisions of Articles L.228-46 et seq. of the French *Code de commerce* as supplemented by this Condition 12.

(i) ***Legal Personality***

The *Masse* will be a separate legal entity, by virtue of Article L.228-46 of the French *Code de commerce*, acting in part through a representative (the **Representative**) and in part through collective decisions of Noteholders (the **Collective Decisions**).

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

(ii) ***Representative***

The initial Representative shall be:

F&S Financial Services
13 rue Oudinot
75007 Paris
France

The following person is designated as alternate Representative of the *Masse* (the **Alternate Representative**) is:

Mr. Vincent Fabié
13 rue Oudinot
75007 Paris
France

In the event of liquidation, dissolution, death, retirement or revocation of appointment of the Representative, such Representative will be replaced by the Alternate Representative. In the event of liquidation, dissolution, death, retirement or revocation of appointment of the Alternate Representative another Representative will be elected by a Collective Decision.

The Representative will be entitled to a remuneration of €450 (VAT excluded) per year payable by the Issuer on the first Interest Payment Date of each calendar year with the first payment at the Issue Date.

The Representative will exercise its duty until its dissolution, resignation or termination of its duty by a general assembly of Noteholders or until it becomes unable to act. Its appointment shall automatically cease on the Final Maturity Date, or total redemption prior to the Final Maturity Date.

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

(iii) ***Powers of the 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, in order to be valid, must be brought against the Representative or by it.

(iv) ***Collective Decisions***

Collective Decisions are adopted either in a general meeting (the **General Meeting**) or by unanimous consent following a written consultation (the **Written Unanimous Decision**).

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 of the name of such Noteholder as of 0:00 Paris time, on the second (2nd) business day in Paris preceding the date set for the Collective Decision.

Collective Decisions must be published in accordance with Condition 12 (ix).

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

(v) ***General Meetings***

General Meetings of Noteholders may be held at any time, on convocation 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 the Notes outstanding may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two (2) months after such demand, such Noteholders may commission one of themselves to petition the competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

General Meetings may deliberate validly on first convocation only if 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. Decisions of the General Meetings shall be taken by a two-thirds (2/3) majority of votes held by the Noteholders attending such General Meeting or represented thereat.

Notice of the date, hour, place, agenda and quorum requirements of any General Meeting will be published as provided under Condition 12.(ix) not less than fifteen (15) calendar days prior to the date of the General Meeting on first convocation and not less than five (5) calendar days prior to the date of the General Meeting on second convocation.

Each Noteholder has the right to participate in a General Meeting in person, by proxy by correspondence or by visioconference or by any other means of telecommunication allowing the participation of the Noteholders. Each Note carries the right to one vote.

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

(vi) ***Written Unanimous Decision***

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

Such Written Unanimous Decision shall be signed by or on behalf of all the Noteholders without having to comply with formalities and time limits referred to in Condition 12.(v). 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 12.(ix).

(vii) ***Exclusion of certain provisions of the French Code de commerce***

The provisions of Article L.228-65 I. 1°, 3° et 4° of the French *Code de commerce* (respectively providing for a prior approval of the General Meeting of the Noteholders of any change in corporate purpose or form of the Issuer, in case of merger or demerger or of an issue of bonds benefiting from a security (*sûreté réelle*) and the related provisions of the French *Code de commerce* shall not apply to the Notes.

(viii) ***Expenses***

The Issuer will pay all reasonable expenses incurred in the operation of the *Masse*, including expenses relating to the calling and holding of Collective Decisions and the expenses which arise by virtue of the remuneration of the Representative, 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.

For the avoidance of doubt, in this Condition 12 "outstanding" shall not include those Notes purchased by the Issuer pursuant to Article L.213-0-1- of the French *Code monétaire et financier* that are held by it and not cancelled.

(ix) ***Notices to Noteholders***

Any notice to be given to Noteholders in accordance with this Condition 12 shall be given in accordance with Condition 14 (*Notices*).

14. Notices

- (a) Notices required to be given to the Noteholders 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.
- (b) 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.

15. Further Issues

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

16. Waiver of Set-Off

No Noteholder may at any time exercise or claim any Waived Set-Off Rights against any right, claim, or liability the Issuer has or may have or acquire against such Noteholder, directly or

indirectly, howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort or any non-contractual obligations, in each case whether or not relating to the Notes) and each such Noteholder shall be deemed to have waived all Waived Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities.

For the avoidance of doubt, nothing in this Condition 15 is intended to provide or shall be construed as acknowledging any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any Noteholder but for this Condition 15.

For the purposes of this Condition 15, Waived Set-Off Rights means any and all rights of or claims of any Noteholder for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any such Note.

17. Governing Law and Jurisdiction

The Notes are governed by the laws of France.

Any claim against the Issuer in connection with any Notes may be brought before any competent courts within the jurisdiction of the *Cour d'Appel* of Paris.

USE OF PROCEEDS

The Notes are issued in order to strengthen the quality of the Issuer's own funds and the net proceeds of the issue of the Notes, after deduction of any applicable commission will be used for general corporate purposes.

DESCRIPTION OF THE ISSUER

This section shall be read and construed in conjunction with the relevant sections of the 2017 Financial Report, the 2018 Financial Report, the 2018 Solvency and Financial Condition Report and the 2019 Half-Year Consolidated Balance Sheet and Profit and Loss Account (see section "Documents Incorporated by Reference") which are incorporated in, and shall be deemed to form part of, this Information Memorandum.

LEGAL ENVIRONMENT OF LA MONDIALE

Legal form, legal and commercial name

La Mondiale is a Mutual Life and Pension Insurance Company (*société d'assurance mutuelle sur la vie et de capitalisation*), administered by a board of directors under the French *Code des assurances* and registered at the *Registre du Commerce et des Sociétés* of Lille under reference number 775 625 635. The legal name of La Mondiale is "La Mondiale" and its commercial name is "AG2R LA MONDIALE". Its registered office is currently 32, avenue Emile Zola, 59370 Mons-en-Baroeul, France and its telephone number is +33 (0)1 44 94 67 00 and +33 (0)3 20 67 37 00.

History

La Mondiale was founded in 1905 in Lille by seven entrepreneurs from the North of France in order to service complementary retirement of SME payrolls and independent workers. Its by-laws were registered on 16 December 1905 and approved by the first general assembly on 18 December 1905.

First registered as an "insurance company with a mutual form" approved by a public decree published on 13 March 1907, La Mondiale became a Mutual Life and Pension Insurance Company (*société d'assurance mutuelle sur la vie et de capitalisation*) with the 1989 reform of the French *Code des assurances* enacted by the insurance law of 31 December 1989. La Mondiale is regulated by the French *Autorité de contrôle prudentiel et de résolution* (ACPR).

La Mondiale was initially constituted for 99 years. It is now established until 31 December 2082.

Its fiscal year ends on 31 December in each year.

La Mondiale acquired La Henin Vie (now La Mondiale Partenaire) in 1999. In 2002, La Mondiale set up a partnership with Aegon regarding supplementary retirement schemes which ended in March 2015.

Since 2008, La Mondiale is a member of a mutual insurance group owned by its members and taking the form of a *Société de Groupe d'Assurance Mutuelle* together with AG2R Prévoyance. SGAM AG2R La Mondiale Matmut (which shall be renamed SGAM AG2R La Mondiale subject to the approval of the *Autorité de contrôle prudentiel et de résolution* on 2 December 2019) and its members, each with its own consolidated perimeter, form part of a combined group (the **SGAM**).

La Mondiale is also a member of the tax group headed by SGAM since 1 January 2014.

In 2009, AG2R Prévoyance and La Mondiale formed the group **AG2R La Mondiale Group**. The core business of La Mondiale is specialised in savings and retirement related and the core business of AG2R Prévoyance is specialised in protection, health and pension servicing on behalf of the public pension system.

In addition, after a combination project between AG2R La Mondiale and Matmut Group announced in January 2019, it has been decided on 9 May 2019 to step this project and finalise the termination of the combination during the second 2019 half-year, subject to the approval of the *Autorité de contrôle prudentiel et de résolution* on 2 December 2019.

Activities permitted by the by-laws

La Mondiale is permitted to engage in all life insurance and reinsurance operations including savings plans, capitalisation, annuities, pension plans, single or regular premium. Major life insurance products in France are split between savings-type products and pension-type products. Savings-type products benefit from a tax advantage and give a guarantee, for a certain period or for the whole life of the product, of capital denominated either in currency or in units (unit-linked contracts). Most savings-type products are single premium although additional premiums can also be made. Pension-type products also benefit from a tax advantage but the guarantee is given on a minimum annuity. These products are generally sold for the whole life of the insured. Premiums are paid regularly by the insured until retirement after which a pension or an annuity is paid to the insured until death.

La Mondiale is also allowed to engage in health and disability coverage.

Board of Directors of the Issuer

Mr. Jean-François DUTILLEUL, Director and Chairman

- Chairman of the Strategic Committee of La Mondiale
- Member of the Remuneration and Appointments Committee of La Mondiale
- Member of the Investment Committee of SGAM
- Director and Vice-Chairman of SGAM
- Director of the *Association sommitale* AG2R La Mondiale
- Chief Executive Officer of Rabot Dutilleul Holding SAS
- Chairman of the Corporate Foundation AG2R La Mondiale

Mr. André RENAUDIN, Director and Chief Executive Officer

- Permanent guest of the Strategic Committee, of the Appointments & Remunerations Committee of La Mondiale
- Member of the Compliance, Actuarial and Risks Committee and of the Investment Committee of SGAM
- Chief Executive Officer of SGAM and SGAPS AG2R La Mondiale
- General Delegate of the *Association sommitale* AG2R La Mondiale
- Vice-Chairman of the supervisory Board of Aerial CNP Assurances
- Director of La Mondiale Partenaire and Prima
- Director and member of the Supervisory Board of AG2R La Mondiale's other entities

Mr. André-Paul BAHUON, Director

- Member of the Strategic Committee of La Mondiale
- Chairman of the Audit and Accounts Committee of SGAM
- Chairman of Créatis Groupe SAS, Créatis Expertise & Conseil SAS, Créatis Audit SAS and Créatis Gomez & Associates SA
- Director of SGAM

Mr. Michel CHASSANG, Director

- Member of the Audit and Accounts Committee of SGAM
- Director of SGAM
- Director of LCL, MACSF, Assumed and Anpreps
- Chairman of UNAPL

Mr. Serge FAUTRÉ, Director

- Member of the Strategic Committee, of the Remuneration and Appointments Committee of La Mondiale Member of the Investment Committee of SGAM

- Director of the Executive Committee of AG Real Estate (Belgium)
- Director of SGAM
- Chairman of the *Union professionnelle du secteur immobilier* in Belgium
- Vice-Chairman of Ascemcio

Mr. Pierre GEIRNAERT, Director representing the employees

- Member of the Audit and Accounts Committee of La Mondiale
- Director of SGAM
- Director of the Corporate Foundation AG2R La Mondiale
- Chairman of the *Association Amphitea*
- Member of the supervisory board of DMR
- Director of the *Association sommitale* AG2R La Mondiale

Mr. Christian GOLLIER, Director

- Member of the Compliance, Actuarial and Risks Committee and permanent guest of the Investment Committee of SGAM
- Chief Executive Officer of the Toulouse school of economics and Chairman of the European Association of Environmental and Resource Economists (EARE)
- Director of *Labex Finance et Croissance Durable*
- Director of SGAM

Mr. Gilles GUITTON, Director

- Member of the Audit and Accounts Committee and of the Strategic Committee of La Mondiale
- Chairman of the Investment Committee of SGAM
- Director of SGAM
- Chairman of SASU GG7, GB Corporate Finance and the *Association Neuilleenne de soins à domicile* (ANSIAD)

Mrs. Manou HEITZMANN-MASSENEZ, Director

- Member of the Remuneration and Appointments Committee and the Nominations Committee of La Mondiale
- Export Director of the *Distillerie Massenez*
- Director of INLI Strasbourg, INSA Strasbourg, and the management school of Strasbourg
- Director of GIAC Group
- Director of SGAM

Mrs. Odette JARIEL, Director

- Member of the Investment Committee of SGAM
- Training Consultant for business industry
- Director of SGAM
- Director of the Corporate Foundation AG2R La Mondiale

Mr. Thierry JEANTET, Director

- Member of the Strategic Committee of La Mondiale
- Chairman of the Compliance, Actuarial and Risks Committee of SGAM
- Director of SGAM
- Chairman of the Corporate Foundation AG2R La Mondiale
- Director of the Foundation MACIF

Mr. Philippe LAMBLIN, Director

- Chairman of the Remuneration and Appointments Committee and member of the Strategic Committee of La Mondiale
- Director of SGAM

- Chairman of the Board of Directors of the Caisse d'Épargne Hauts de France (*SA Coopérative*)
- Vice-Chairman of the Foundation of the Caisse d'Épargne Nord France Europe
- Member of the Board of Directors of Natixis Interépargne SA and Natixis Invest Management

Mr. Franck MOUGIN, Director

- Member of the Strategic Committee of La Mondiale
- Member of the Investment Committee of SGAM
- Head of Human Resources and Sustainable Development of the Groupe Vinci and member of the Executive Committee
- Director of SGAM

Mrs. Joëlle PREVOT-MADERE, Director

- Member of the Compliance, Actuarial and Risks Committee of SGAM
- Manager of a transport company in Guyana
- Director of SGAM

Mrs. Sylvie REULET, Director

- Chairman of the Nominations Committee of La Mondiale
- Member of the Compliance, Actuarial and Risks Committee of SGAM
- Lawyer, member of the Bar in Bordeaux
- Director of SGAM

Mr. Nicolas SCHIMEL, Director

- Member of the Audit and Accounts Committee of SGAM
- Director of SGAM

Mrs. Isabelle SIMELIERE, Director

- Member of the Audit and Accounts Committee of SGAM
- Director of SGAM

Mr. Bernard STALTER, Director

- Director of SGAM
- Director of the *Conseil Economique Social et Environnemental*

The business address of the members of Board of Directors is 104-110 Boulevard Haussmann – 75008 Paris – France.

General management Committee

Mr. André RENAUDIN, Chief Executive Officer of La Mondiale

- Chief Executive Officer of La Mondiale

Mr. Jean-Marc ROBINET, Deputy Chief Executive Officer (*Directeur général délégué*) of La Mondiale,

- Director and/or member of the Supervisory Board of AG2R La Mondiale's other entities

Mr. Philippe DABAT, Deputy Chief Executive Officer (*Directeur général délégué*) of La Mondiale, Insurance and distribution

- Director and/or member of the Supervisory Board of AG2R La Mondiale's other entities

Mr. Jean-Marc CRESTANI, Deputy Chief Executive Officer (*Directeur général délégué*) of La Mondiale, Insurance (life, savings), projects and organisation

- Chief Executive Officer of La Mondiale Partenaire
- Chairman of La Mondiale Europartner
- Director and/or member of the Supervisory Board of AG2R La Mondiale's other entities

Mr. David SIMON, Deputy Chief Executive Officer (*Directeur général délégué*) of La Mondiale, Finances, Investment and Risks

- Vice-Chairman of the Supervisory Board of AG2R La Mondiale *Gestion d'Actifs* for La Mondiale
- Director and/or member of the Supervisory Board of AG2R La Mondiale's other entities

Mrs. Sophie DE SAINT ETIENNE, Corporate Secretary (*Secrétariat général*)

Mr. Pascal CHAUMÉNY, General Counsel and tax director

Mrs. Corinne DAJON, IT Director

Mr. François-Marie GESLIN, Community Involvement Director

Mrs. Emmanuelle SAUDEAU, Digital and Client Relation Director

Mrs. Claire SILVA, Human Resources Director

Mrs. Béatrice WILLEMS, Communication, Chief of Staff Director

The business address of the members of Executive Committee is 104-110 Boulevard Haussmann – 75008 Paris – France.

Auditors

Mazars

Tour Exaltis, 61 rue Henri Regnault
92075 Paris La Défense Cedex
France

KPMG SA

Tour EQHO, 2 avenue Gambetta, CS 60055
92066 Paris La Défense
France

General description and Business overview of La Mondiale

In relation to savings and pension plan products, which are highly competitive products, the business policy of La Mondiale has been successful. Because of the multiplication of offers, the synergies conducted between the commercial networks and the diversification of distribution channels, the Group has strengthened its position in relation to savings sector and confirmed its leading position for pension plan products.

In 2018, La Mondiale had the following competitive positions: n°2 for supplementary retirements benefits (Source: *Argus de l'assurance*), n°2 for collective supplementary retirements benefits (Source: *Argus de l'assurance*), n°1 for "Madelin" retirement benefits (Source: *FFA & Argus de l'assurance*), n°5 for individual and collective health insurance (Source: *Argus de l'assurance*), n°3 for individual and collective personal protection insurance (Source: *Argus de l'assurance*), n°7 in long term care (Source: *Argus de l'assurance*), n°12 in savings (Source: *Argus de l'assurance*).

La Mondiale completed its 2015-2018 plan, and is implementing a new plan called "Demain 2020" (see section Strategic Objectives for further information).

Since 2008, SGAM is a group mutual insurance company which encompasses all the Group's insurance activities through its two members: AG2R Prévoyance and La Mondiale.

La Mondiale is a mutual life and pension insurance company founded in 1905 and the holding company of the consolidated group La Mondiale (the **Group**).

La Mondiale is one of the leading operators in each sector of the insurance industry in which it operates as evidenced by the above mentioned competitive positions.

As per the consolidated accounts of La Mondiale, premiums paid or turnover of other activities have decreased by 0.7 per cent. to Euro 6.16 bn in 2018 and total investments have reached Euro 93.7 bn, representing a decrease by 0.4 per cent. At 31 December 2018, La Mondiale had a surplus (equivalent to shareholders' equity) of Euro 4.1 bn (excluding minority interests) and consolidated net profit of Euro 292.8 million. The Group had 3,151 employees at the end of 2018.

La Mondiale specialises in three sectors in relation to insurance products through four companies: individual pension and life insurance, group pension and insurance and wealth insurance product management.

As of 31 December 2018, the Issuer's regulatory solvency capital (admitted surplus + unrealised capital gains + subordinated debt) is Euro 9.912 bn, representing 5.40 times the Minimum Capital Requirement and 2.68 times the Solvency Capital Requirement (as defined under the Solvency II regulation).

Individual pension and life insurance – La Mondiale

La Mondiale is one of the leading operators in individual pension insurance in France. La Mondiale mainly offers retirement related (individual or group) as well as savings and pension products, through a sales force of more than 1,000 professionals targeting self-employed workers and small size firms.

In 2018:

- savings related activity of La Mondiale recorded a decrease in subscriptions of 1 per cent. compared to 2017, amounting to Euro 289 million;
- pension plan related activity of La Mondiale amounted to Euro 1,009 million of subscriptions, which corresponds to a decrease of 1.5 per cent. compared to 2017;
 - individual pension plan related activity of La Mondiale recorded a decrease in subscriptions of 1.2 per cent. compared to 2017, amounting to Euro 823 million; and
 - collective and group pension plan related activity of La Mondiale recorded a decrease in subscriptions of 2.8 per cent. compared to 2017, amounting to Euro 186 million.

Group pension and insurance (through Arial CNP Assurances)

As part of the La Mondiale and CNP Assurances partnership which has been established since 2016, Arial CNP Assurances is a major player in group insurance.

In relation to the insurance of company-related liabilities, Arial CNP Assurances offers a wide range of tailor made solutions as well as standard contracts distributed mainly by brokers, consulting firms and through stockholders' networks and major partnerships. The customer profile of Arial CNP Assurances which subscribes for group pension plans is mainly composed of large companies.

In 2018, collective and group pension plan related activity of Arial CNP Assurances recorded a decrease of 4 per cent compared to 2017, amounting to 973 million in gross premiums.

Wealth insurance product management (through La Mondiale Partenaire and La Mondiale Europartner)

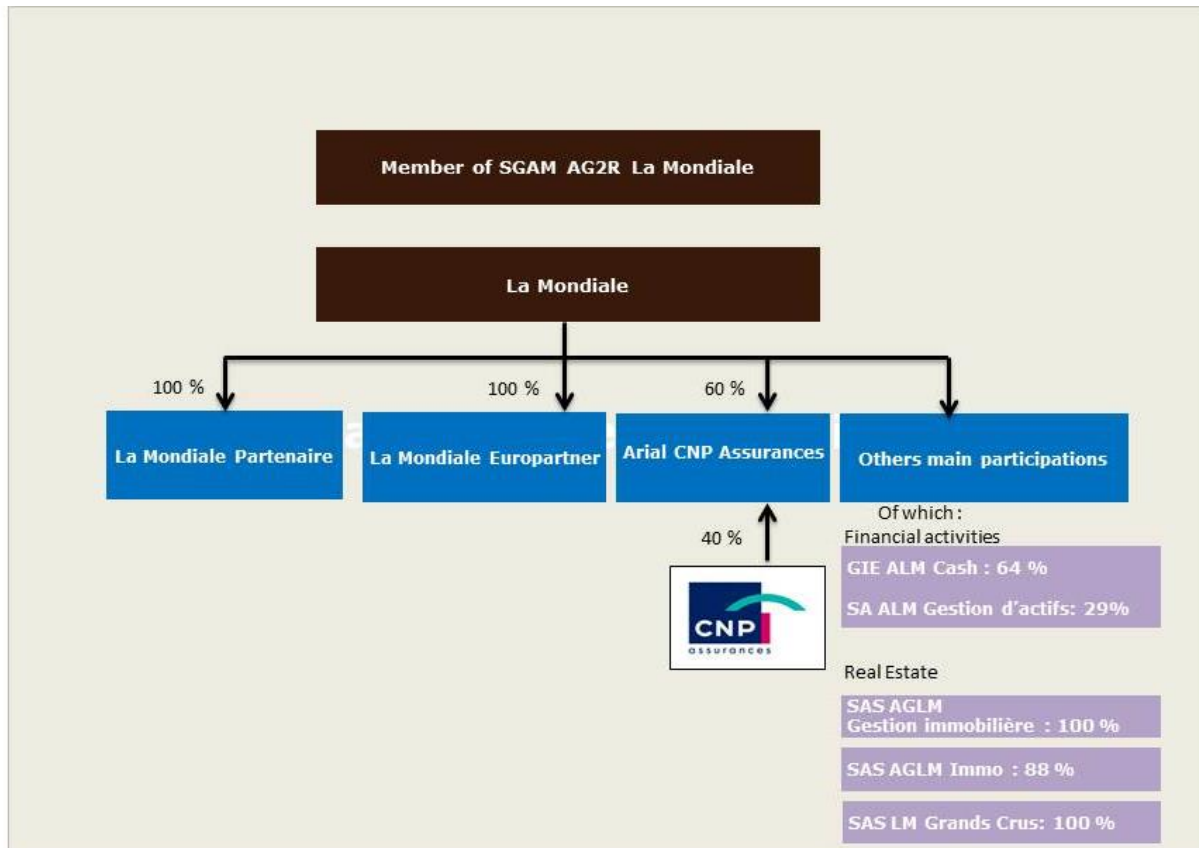
La Mondiale Partenaire operates in life insurance products. It offers savings products distributed through private banking arms of large banks and independent financial advisers (portfolio and asset managers).

In wealth insurance product management, La Mondiale Partenaire is one of the market leaders for dedicated insurance contracts for private banking clients. In this market, La Mondiale Partenaire is competing with BNP Paribas Cardif, AXA and Generali.

La Mondiale Europartner offers a range of high-end life insurance and wealth management solutions. It mainly conducts its business in France (44 per cent. of its activity) and in Italy (45 per cent. of its activity).

La Mondiale Partenaire focuses on targeting specific products and sales teams to clearly defined market sectors.

Group Structure as of 30 June 2019 (N.B: the percentages below both refer to capital and voting rights)



La Mondiale's business is organised into four business units, each targeting a distinct market sector: La Mondiale, Ariol Assurance, La Mondiale Partenaire and La Mondiale Europartner.

1. La Mondiale

La Mondiale's gross premiums amounted to Euro 4,427 million for the period ending on 31 December 2018, which constitutes a 6 per cent. decrease compared to the period ending on 31 December 2017.

Gross premiums accepted in respect of its subsidiaries amounted to Euro 2,986 million for the period ending on 31 December 2018, which constitutes a 2.8 per cent. decrease compared to the period ending on 31 December 2017. Such decrease is largely wanted by the Group in order to limit new business in Euro and therefore restrict the dilution of the yield rate of general assets due to very low bond rates.

Gross premiums excluding these internal acceptances amounted to Euro 1,441 million for the period ending on 31 December 2018, which constitutes a 12 per cent. decrease compared to the period ending on 31 December 2017.

2. **Arial CNP Assurances**

In 2018, the pension activity gross premiums of Arial CNP Assurances decreased by 4 per cent. compared to 2017 and amounted to Euro 973 million.

3. **La Mondiale Partenaire**

La Mondiale Partenaire was created in 1999 with the acquisition of La Henin Vie and distributes mainly high net worth life insurance contracts through external networks.

La Mondiale Partenaire's gross premiums amounted to Euro 2,052 million for the period ending on 31 December 2018, with a 19 per cent. increase compared to the period ending on 31 December 2017. A 18.3 per cent. decrease in claims costs amounting to Euro 1,914 million led to a positive amount of net collect revenue of Euro 138 million in 2018.

4. **La Mondiale Europartner**

La Mondiale Europartner, a Luxemburg subsidiary of the Group, is a renowned operator specialising in the concept, development and management of retirement and pension products, including patrimonial and group pension activities through non-affiliated intermediaries which target cross border market customers.

During 2018, La Mondiale Europartner, the Luxemburg office of the Group, managed a total amount of technical reserves of Euro 14.2 billion, which constitutes a 3.7 per cent. increase compared to 2017.

Gross premiums of La Mondiale Europartner amounted to Euro 2,002.2 million in 2018, compared to Euro 1,730.7 million in 2017, showing an increase of 15.7 per cent. In 2018, 57.6 per cent. of the gross premiums were reinsured, mainly by the general fund of La Mondiale.

SGAM

La Mondiale is a member of the SGAM under which it has committed to financial solidarity with the members of the SGAM. There is a single management organisation for all the members of SGAM and means are shared between them (*e.g.* management, IT, support functions, sales network etc.).

SGAM has two objectives: establish a financial solidarity between the entities of the combined group and allow them to keep their own brand and systems of governance. SGAM is the operational structure of the combined group for insurance activities: welfare, health, savings, supplementary pensions, nursing care. SGAM's own funds are at its complete disposal. Its revenues come from contributions, subsidies received or, that could be received, from its affiliates, as well as interests or dividends received from notes subscribed and issued by its affiliates.

On 1 January 2018, SGAM established a social protection group company (a *Société de groupe d'assurance de protection sociale (SGAPS)*), named SGAPS AG2R La Mondiale. The SGAPS replaces AG2R Prévoyance as the other affiliate of SGAM. Following approval on 26 May 2016 by the General Assembly of AG2R Prévoyance of the principle of participating in the establishment of the SGAPS, and following the approval by the boards of the involved entities, the *Autorité de contrôle prudentiel et de régulation* granted approval for this operation in October 2017.

Ownership

As of 31 December 2018, La Mondiale had 521,787 policyholders (*sociétaires*). Each policyholder has the same voting rights.

Strategic Objectives

To improve adaptability, La Mondiale launched in 2018 its “Demain 2020” strategic plan. In order to implement such a strategic plan, the company will focus on reinforcing and strengthening the 4 following pillars:

1. Change of the distribution through a global approach;
2. Change of supplemental pension through an increase of its performance (management, IT and real estate);
3. Industrialisation of healthcare insurance with the objective of retaining clients and gain new clients on the most profitable segments;
4. Digit ALM – the Group’s digital transformation program through a more global and quicker access to digital products.

In the previous 2015-2018 strategic plan which aimed at reinforcing La Mondiale’s competitive positioning, the Issuer had notably four objectives: (1) proximity, (2) legitimacy, (3) solidity and (4) cohesion.

Partnerships

Strategic partnerships

Partnership CNP: Following a framework agreement signed on 15 December 2015, CNP Assurances and AG2R La Mondiale have started a strategic partnership in the sector of supplementary corporate pension, within a common subsidiary named Arial CNP Assurances. The transaction was approved by the *ACPR* and the *Autorité de la Concurrence*.

Previously owned at 100 per cent. by La Mondiale, Arial CNP Assurances is now owned at 40 per cent. by CNP Assurances and at 60 per cent. by La Mondiale and a shareholders’ agreement has been entered into.

Arial CNP Assurances regroups the teams, tools and activity portfolios of the two partners and intends to become a major actor of the corporate pension industry. Arial CNP Assurances is expected to manage the supplementary pension regimes for over 20,000 companies (from SMEs to large corporations).

The setting-up of Arial CNP Assurances, unique insurance company in France exclusively dedicated to supplementary pension, reflects the common will of the two partners to be major actors in response to the pension needs of the French population. The ambition is to become the "pension solution" looking at servicing French companies and their employees by developing innovative services and offers, committing to deliver services of high quality backed by proprietary tools which efficiency is largely recognised and offering an important financial safety to clients through two stable and solid shareholders.

On 4 April 2016, CNP Assurances and the Issuer have announced the operational start-up of their strategic partnership in the area of corporate supplementary retirement.

Commercial partnerships

Banking and CGPI (*conseiller de gestion en patrimoine indépendant*) partnerships: Through its subsidiaries La Mondiale Partenaire and La Mondiale Europartner, La Mondiale has built distribution partnerships (wealth management) with the main distributors of the market:

- Private banking subsidiaries of the main French banks: Indosuez Private Banking, LCL (Groupe Crédit Agricole), Banque Privée 1818, Banque Palatine (Groupe BPCE), BNP Paribas;

- The main platforms of CGPI: Nortia, Olympia, Crystal Finance;
- Wealth management banks or institutions: Oddo, Lazard, UBS, Rothschild.

Distribution or prescription partnerships: La Mondiale has also built distribution partnerships with local groups such as La Mutuelle de Poitiers, and prescription partnerships with the main certified accountants (*expert comptable*).

Risk management

La Mondiale manages certain key risks through 5 committees of the Board:

1. The investment committee

The investment committee reviews and validates the general investment policy, the limits, the scope of the universe of possible investments, the guidelines of asset allocation to be approved by the Board.

2. The audit and account committee

The audit and account committee, among other tasks, reviews and validates the annual accounts, the internal audit plan, the financing and solvency issues to be approved by the Board.

3. The compliance, actuarial and risks committee

The compliance, actuarial and risks committee reviews and validates the risk management policy and the internal control processes, issues to be approved by the Board.

4. The strategic committee

The strategic committee reviews and validates strategic and development issues related to M&A or partnerships, to be approved by the Board.

5. The appointments and remunerations committee

The appointments and remunerations committee issues recommendations on the remuneration conditions of the representatives and key men of the Group as well as on the organisation and evolution of the Board and its committees.

Anti-money laundering mission

The objective of La Mondiale's anti-money laundering procedure is to fight against laundering of the proceeds of drug trafficking, fraud against the financial interests of the European Community, corruption, organised criminal activities or those which may be used to finance terrorism.

This procedure breaks down operationally into the following:

- training sessions to raise awareness amongst new collaborators;
- reviewing agreements with partners setting out requirements;
- conducting controls to ensure procedures are being implemented and complied with;
- declarations when suspicions have been raised;

- preparing a compliance report.

The head of anti-money laundering monitors risks associated with payments in and payments out, risks in partnership agreements setting out requirements, non-compliance with procedures by sales managers and advisers.

Insurance and risk cover

La Mondiale has put in place and periodically updates an insurance programme to protect its asset base. The insurance policies include:

- insurance covering damage to property: all building risks, all computer risks;
- civil liability insurance;
- personal insurance (assistance).

The insurances subscribed and the level of self-insurance depends upon the business activity, the size and rate of occurrence of incidents of the principal entities of the Group.

These insurance policies have been subscribed with insurance companies of international repute.

Credit risk

The Group's credit policy is based upon strict investment rules, including maximum exposure amounts per issuer according to an issuer's rating. Compliance with this policy is monitored by the credit committee and potential breaches, particularly those due to credit rating downgrades, are systematically validated by the investment committee (which is a sub-committee of the board of directors). Depreciation rules are determined by type of security, estimated credit risk, and estimated recovery value, as the case may be.

Foreign exchange risk

La Mondiale's policy is to limit exposure to foreign exchange risk as far as possible. All transactions entered into in a currency other than the euro (investment, issue, sale of insurance contract) are systematically hedged.

Liquidity risk

La Mondiale analyses its cash flow gaps by taking into account its entire positive (scheduled premiums, estimation of future premiums, interest coupons, maturity of securities...) and negative (investments, payment of annuities, claims under life insurance contracts...) future cash-flows. Stress-tests are performed to assess the impact of potential increases in claims made or decreases in premiums paid. All the investments of the Group are inventoried according to liquidity profile to determine which type of securities should be sold, were disposals to be required. The specific business model of La Mondiale, a substantial part of which is in the pensions business, with scheduled mandatory premium payments, gives a very low liquidity risk profile to the company. In its assessment, S&P described La Mondiale's liquidity as "exceptional".

Financial Results

As of 30 June 2019, La Mondiale had consolidated investments assets of Euro 100.8 billion of which 25.9 per cent. are unit-linked products. The 74 per cent. remaining are guaranteed products invested in General Funds split between bonds (79.7 per cent.), equities (8.8 per cent.), real estate (4.9 per cent.) and other financial assets (6.6 per cent.).

Consolidated own funds at 30 June 2019 increased from Euro 4,495 million to Euro 5,050 million (including Euro 364 million minority interests). Subordinated obligations amounted to Euro 2,127 million of which

Euro 1,936 million are on a perpetual basis with a call option. For La Mondiale as a stand-alone entity, the coverage ratio of Solvency Capital Requirement (SCR) is 229 per cent. (with impact of transitional on technical provisions) as of 30 June 2019 (139 per cent. without transitional on technical provisions). For SGAM as a group entity, this ratio stands at 185 per cent. (with impact of transitional on technical provisions) as of 30 June 2019 (125 per cent. without transitional on technical provisions).

La Mondiale's interim financial information reported as of 30 June 2019 an operating income of Euro 271.4 million compared to Euro 406.4 million as of 31 December 2018 and to Euro 229.8 million as of 30 June 2018. La Mondiale generated consolidated net income of Euro 209.6 million as of 30 June 2019, that represents 72% of the amount as of 31 December 2018.

As at 30 June 2019, La Mondiale's consolidated subordinated debt amounted to Euro 2,126.7 million compared to Euro 2,641.4 million on 31 December 2018.

Conflict of Interest

To the Issuer's knowledge, there are no conflicts of interest between the duties of the directors and members of executive management with regard to La Mondiale and their private interests.

Change of Control

To the Issuer's knowledge, there is no arrangement, the operation of which may at a subsequent date result in a change in control of the Issuer.

Important Contracts

There are, at the date of this Information Memorandum, no material contracts entered into in the ordinary course of the Issuer's business, which could result in any member of the Issuer's Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders in respect of the Notes being issued.

SUBSCRIPTION AND SALE

Subscription Agreement

HSBC Bank plc, Morgan Stanley & Co. International plc and Natixis (the **Joint Bookrunners**) have entered into a Subscription Agreement dated 22 October 2019 (the **Subscription Agreement**) according to which it has agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe for the Notes at an issue price equal to 100 per cent. of the principal amount of the Notes, less a commission. In addition, the Issuer will pay certain costs incurred by it and the Joint Bookrunners in connection with the issue of the Notes.

The Joint Bookrunners are entitled to terminate the Subscription Agreement in certain circumstances prior to the issue of the Notes. The Issuer has agreed to indemnify the Joint Bookrunners against certain liabilities in connection with the offer and sale of the Notes.

Selling Restrictions for the jurisdictions outside the European Economic Area

United States

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, within the United States, or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (**Regulation S**).

Each of the Joint Bookrunners has agreed that it has not offered or sold, and will not offer or sell, the Notes (i) as part of their distribution at any time or (ii) otherwise until forty (40) days after completion of the distribution of the Notes (as determined, and certified to the Issuer by each of the Joint Bookrunners), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each distributor or dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting out 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.

The Notes are being offered and sold outside the United States to non-U.S. persons in compliance with Regulation S and U.S. tax law.

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

United Kingdom

Each of the Joint Bookrunners has represented and agreed that (in connection with the initial distribution of the Notes only):

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the **FSMA**)) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

France

Each of the Joint Bookrunners has represented and agreed that it undertakes to comply with applicable French laws and regulations in force regarding the offer, the placement or the sale of the Notes and the distribution in France of the Information Memorandum or any other offering material relating to the Notes.

Prohibition of Sales to European Economic Area Retail Investors

Each of the Joint Bookrunners has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA.

For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Canada

Each of the Joint Bookrunners has represented and agreed that it has not offered or sold and will not offer or sell the Notes in Canada other than to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Information Memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

General

No action has been taken in any jurisdiction that would permit an offer to the public of any of the Notes. Neither the Issuer nor any of the Joint Bookrunners represents that Notes may at any time lawfully be resold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such resale.

Each of the Joint Bookrunners has agreed that it will, to the best of its knowledge and belief, 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 this Information Memorandum or any other offering material relating to the Notes and obtain any consent, approval or permission required for the purchase, offer or sale of the Notes under the laws and regulations in force in any jurisdiction in which it makes such purchase, offer or sale and none of the Issuer or any Joint Bookrunner shall have responsibility therefore.

GENERAL INFORMATION

- (1) Admission to trading: Application has been made to Euronext Growth for the Notes to be admitted to trading on Euronext Growth with effect on 24 October 2019.
- (2) Corporate authorisations: The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in the Republic of France in connection with the issue of the Notes.

The issue of the Notes has been authorised by the *Assemblée Générale* of the policyholders (*sociétaires*) of the Issuer on 28 May 2019 and by the resolution of the *Conseil d'administration* of the Issuer, dated 17 October 2019.

- (3) Copies of:
 - (i) the *statuts* of the Issuer;
 - (ii) the Fiscal Agency Agreement;
 - (iii) this Information Memorandum; and
 - (iv) the documents incorporated by reference in this Information Memorandum,

will be available for inspection during the usual business hours on any week day (except Saturdays, Sundays and public holidays) at the registered office of the Issuer.

This Information Memorandum and the documents incorporated by reference in this Information Memorandum will be published on the website of the Issuer (www.ag2rlamondiale.fr).

- (4) Trend information: There has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2018 being the date of its last published audited financial statements.
- (5) Significant change in the Issuer's and the Group's financial or trading position: There has been no significant change in the financial or trading position of the Issuer or the Group since 30 June 2019 being the date of its last published financial statements.
- (6) Legal and arbitration proceedings: Except as disclosed or incorporated by reference in this Information Memorandum (page 132 of the 2018 Financial Report), there has been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the period of twelve (12) months immediately preceding the date of this Information Memorandum which may have or have had in the recent past a significant effect on the Issuer's or the Group's financial position or profitability.
- (7) Clearing and settlement: The Notes have been accepted for clearance through Euroclear France (acting as central depository), Euroclear and Clearstream. The International Securities Identification Number (ISIN) for the Notes is FR0013455854. The Common Code for the Notes is 206994908.

The address of Euroclear France is 66, rue de la Victoire, 75009 Paris, France. The address of Euroclear is Euroclear Bank SA/NV, 1 boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream is Clearstream Banking SA, 42 avenue JF Kennedy, L-1855 Luxembourg.

- (8) Auditors: The statutory auditors of the Issuer are KPMG S.A. and Mazars.

KPMG S.A. and Mazars have audited and rendered an unqualified report on the consolidated financial statements of the Issuer for the financial years ended 31 December 2017 and 31 December 2018.

KPMG S.A. and Mazars are members of the professional body *compagnie régionale des commissaires aux comptes de Versailles* and are regulated by the *Haut Conseil du Commissariat aux Comptes*.

- (9) Expenses: The estimated costs for the admission to trading of the Notes are EUR 16,250.
- (10) Yield: The yield in respect of the Notes from the issue date to the First Call Date is 4.375 per cent. *per annum* and is calculated on the basis of the issue price of the Notes. It is not an indication of future yield.
- (11) Joint Bookrunners' Conflicts: The Joint Bookrunners 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 their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Joint Bookrunners 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 Issuer's affiliates. The Joint Bookrunners and/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, the Joint Bookrunners 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. Any such short positions could adversely affect future trading prices of Notes issued. The Joint Bookrunners 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.
- (12) Interest of natural and legal persons involved in the issue: As far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue. The Joint Bookrunners are paid commissions in relation to the issue of the Notes. The Joint Bookrunners and their affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.
- (13) The Notes are expected to be rated BBB- by S&P Global Ratings Europe Limited (**S&P**). The Issuer's long-term senior unsecured debt is rated A- by S&P. S&P is established in the European Union and registered under the CRA Regulation and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website (www.esma.europa.eu/supervision/credit-rating-agencies/risk) as of the date of this Information Memorandum.
- (14) Certain statements contained herein are forward-looking statements including, but not limited to, statements with respect to the Issuer's business strategies, expansion and growth of operations, plans or objectives, trends in its business, competitive advantage and regulatory changes, based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact. Forward-looking statements are typically identified by words or phrases such as, without limitation, "anticipate", "assume", "believe", "continue", "estimate", "expect", "foresee", "intend", "project", "anticipate", "seek", "may increase" and "may fluctuate" and similar expressions or by future or conditional verbs such as, without limitation, "will", "should", "would" and "could". Undue reliance should not be placed on such statements, because, by their nature, they are subject to known and unknown risks, uncertainties, and other factors and actual results may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements.

The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based after the date of admission to trading of the Notes on Euronext Growth.

(15) The Issuer's Legal Entity Identifier (LEI) is: 969500L0T16HX3R78P61.

**PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THE INFORMATION
MEMORANDUM**

I declare, after taking all reasonable measures for this purpose and to the best of my knowledge, that the information contained in this Information Memorandum is in accordance with the facts and that it makes no omission likely to affect its import.

LA MONDIALE
32, avenue Emile Zola
Mons-En-Baroeul
59896 Lille Cedex 9
France

Duly represented by:
David Simon

Directeur général délégué en charge de la finance, des investissements et des risques, authorised signatory, pursuant to the resolution of the Board of Directors (*Conseil d'administration*) of the Issuer dated 17 October 2019.

Made in Paris, on 22 October 2019

Issuer

La Mondiale

32, avenue Emile Zola
Mons-En-Baroeul
59896 Lille Cedex 9

Structuring Advisor

HSBC Bank plc

8 Canada Square
London E14 5HQ
United Kingdom

Joint Bookrunners

HSBC Bank plc

8 Canada Square
London E14 5HQ
United Kingdom

Morgan Stanley & Co. International plc

25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom

Natixis

30, avenue Pierre Mendès France
75013 Paris
France

Fiscal Agent, Principal Paying Agent and Calculation Agent

BNP Paribas Securities Services

3,5,7 rue du Général Compans
93500 Pantin
France

Operational notices:

BNP Paribas Securities Services, Luxembourg Branch

(Affilié with Euroclear France under number 29106)

Corporate Trust Services
60, avenue J.F. Kennedy
L – 2085 Luxembourg

Auditors

KPMG S.A.

Tour EQHO
2, avenue Gambetta
92066 Paris La Défense
France

Mazars

Tour Exaltis
61, rue Henri Régnauld
92075 La Défense Cedex
France

Legal Advisers

Allen & Overy

52, avenue Hoche
75008 Paris
France