



## CNP ASSURANCES

€160,000,000

### UNDATED JUNIOR SUBORDINATED FIXED TO FLOATING RATE NOTES

**Issue Price: 100.00 per cent.**

The €160,000,000 Undated Junior Subordinated Fixed to Floating Rate Notes (the “Notes”) of CNP Assurances (the “Issuer”) will be issued outside the Republic of France on 16 May 2006.

Each Note will bear interest on its then Principal Amount at a fixed rate of 5.25 per cent. per annum from (and including) 16 May 2006 (the “Issue Date”) to (but excluding) 16 May 2036 (the “Fixed Rate Period”), payable annually in arrear on 16 May in each year and thereafter (the “Floating Rate Period”) at a Floating Rate per annum payable quarterly in arrear on or about 16 May, 16 August, 16 November and 16 February in each year, commencing on or about 16 August 2036, as set out in “Terms and Conditions of the Notes — Interest”.

The Notes are undated perpetual obligations in respect of which there is no fixed redemption date. The Issuer shall have the right (subject to the prior approval of the Relevant Supervisory Authority) to redeem the Notes, in whole but not in part, on any Interest Payment Date from and including 16 May 2036 as further specified in “Terms and Conditions of the Notes — Redemption and Purchase”. In addition, the Issuer may, and in certain circumstances shall, (subject to the prior approval of the Relevant Supervisory Authority) redeem the Notes at any time for taxation reasons or for regulatory reasons, as set out in “Terms and Conditions of the Notes — Redemption and Purchase”.

The obligations of the Issuer under the Notes in respect of principal, interest and other amounts, constitute direct, unconditional, unsecured and Undated Junior Subordinated Obligations of the Issuer and shall at all times rank without any preference among themselves and equally and rateably with any other existing or future Undated Junior Subordinated Obligations, but behind all present and future Dated Junior Subordinated Obligations, *prêts participatifs* granted to, and *titres participatifs* issued by, the Issuer, Ordinary Subordinated Obligations and Unsubordinated Obligations, as further described in “Terms and Conditions of the Notes — Status”.

**Payment of interest on the Notes may or, in certain circumstances, shall be suspended, as set out in “Terms and Conditions of the Notes — Interest — Compulsory Interest and Optional Interest”. Any interest not paid on such dates will be lost and will therefore no longer be due and payable by the Issuer. In addition, the principal amount of the Notes shall, in certain circumstances, be reduced to enable the Issuer to continue its activities in accordance with applicable regulations, as set out in “Terms and Conditions of the Notes — Loss Absorption and Return to Financial Health”.**

Payments in respect of the Notes will be made without deduction for, or on account of, French taxes to the extent set out in “Terms and Conditions of the Notes — Taxation”.

Application has been made for the Notes to be admitted to the official list and traded on the Regulated Market (within the meaning of the Directive 2004/39/EC) of the Luxembourg Stock Exchange.

The Notes have been accepted for clearance through Euroclear France, Clearstream, Luxembourg and Euroclear. The Notes will, upon issue, be inscribed in the books of Euroclear France which shall credit the accounts of the Account Holders (as defined herein). The Notes will be issued in bearer form in the denomination of €50,000 each and will at all times, in compliance with Article L.211-4 of the French *Code monétaire et financier*, be represented in book-entry form (*inscription en compte*) in the books of the Account Holders, as set out in “Terms and Conditions of the Notes — Form, Denomination and Title”.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the “Securities Act”) and may not be offered or sold in the United States or to, or for the benefit of, U.S. persons unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available.

See “Risk Factors” on page 8 of this document for certain information relevant to an investment in the Notes.

**IXIS Corporate & Investment Bank**

*This Prospectus comprises a prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the “Prospectus Directive”) and for the purpose of giving information with regard to the Issuer, the Issuer and its consolidated subsidiaries taken as a whole (the “Group”), the Issuer and the Notes which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer. The Issuer accepts responsibility for the information contained in this document. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.*

*In making an investment decision regarding the Notes, prospective investors should rely on their own independent investigation and appraisal of the Issuer, its business and the terms of the offering, including the merits and risks involved. The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Notes. Potential investors should read carefully the section entitled “Risk Factors” set out below before making a decision to invest in the Notes.*

*This Prospectus does not constitute an offer of, or an invitation or solicitation by or on behalf of the Issuer or IXIS Corporate & Investment Bank (as defined in “Subscription and Sale” below) to subscribe or purchase, any of the Notes. The distribution of this Prospectus and the offering of the Notes in certain jurisdictions, including the United States, the United Kingdom and France, may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and IXIS Corporate & Investment Bank to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers and sales of Notes and distribution of this Prospectus, see “Subscription and Sale” below.*

*This Prospectus may only be used for the purpose for which it has been published.*

*No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer or the Manager. The delivery of this Prospectus at any time does not imply that the information contained in it is correct as at any time subsequent to its date.*

*The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”). Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“Regulation S”)).*

*All references in this Prospectus to “euro”, “EUR” and “€” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended.*

### **Stabilisation**

*In connection with this issue, IXIS Corporate & Investment Bank (the “Stabilising Manager”) or any person acting on behalf of the Stabilising Manager may over-allot Notes (provided that the aggregate principal amount of Notes allotted does not exceed 105 per cent. of the aggregate principal amount of the Notes) or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or any persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Such stabilisation shall be made in accordance with applicable laws and regulations.*

## TABLE OF CONTENTS

<b>Contents</b>	<b>Page</b>
<b>DOCUMENTS INCORPORATED BY REFERENCE.....</b>	<b>4</b>
<b>CROSS-REFERENCE LIST IN RESPECT OF THE DESCRIPTION OF THE ISSUER.....</b>	<b>5</b>
<b>RESPONSIBLE PERSONS IN RESPECT OF THE INFORMATION GIVEN IN THE PROSPECTUS.....</b>	<b>8</b>
<b>RISK FACTORS.....</b>	<b>9</b>
<b>SUMMARY OF THE TERMS AND CONDITIONS OF THE NOTES .....</b>	<b>11</b>
<b>TERMS AND CONDITIONS OF THE NOTES.....</b>	<b>19</b>
<b>USE OF PROCEEDS .....</b>	<b>35</b>
<b>ORGANISATIONAL STRUCTURE OF THE ISSUER.....</b>	<b>36</b>
<b>RECENT DEVELOPMENTS RELATING TO THE ISSUER.....</b>	<b>38</b>
<b>TAXATION .....</b>	<b>39</b>
<b>SUBSCRIPTION AND SALE .....</b>	<b>41</b>
<b>GENERAL INFORMATION .....</b>	<b>43</b>

## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents:

- the 2004 annual report of the Issuer which includes the audited consolidated annual financial statements for the year ended 31 December 2004 and the related report from the auditors;
- the 2005 annual report of the Issuer which includes the audited consolidated annual financial statements for the year ended 31 December 2005 and the related report from the auditors;

which have been previously published and that have been filed with the *Commission de surveillance du secteur financier* in Luxembourg and shall be incorporated in, and form part of, this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

All documents incorporated by reference in this Prospectus may be obtained, free of charge, and may be consulted during normal business hours, at the office of each Paying Agent (both in Paris and in Luxembourg) set out at the end of this Prospectus so long as any of the Notes are outstanding. Such documents will also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

The information incorporated by reference in this Prospectus shall be read in connection with the cross-reference list below as set in the section “Cross-Reference List”.

## CROSS-REFERENCE LIST IN RESPECT OF THE DESCRIPTION OF THE ISSUER

Regulation – Annex IX		2005 annual report of the Issuer which includes the audited consolidated annual financial statements for the year ended 31 December 2005	2004 annual report of the Issuer which includes the audited consolidated annual financial statements for the year ended 31 December 2004
<b>2. Statutory Auditors</b>	2.1 Names and addresses of the issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).	p. 316 (Section 3.1)	
	2.2 If auditors have resigned, been removed or not been re-appointed during the period covered by the historical financial information, details if material.	N/A	
<b>3. Risk factors relating to the Issuer</b>	3.1 Prominent disclosure of risk factors that may affect the issuer's ability to fulfil its obligations under the Notes	p. 122-123 (Section 2.2.3.3) p. 156 (Section 7.7.2) p. 157 (Section 7.7.3) p. 158 (Section 7.9) p. 282-289 (Note 24)	
<b>4. Information about the Issuer</b> <i>4.1 History and development of the Issuer</i>	4.1.1 The legal and commercial name of the issuer;	p. 302 (Section 1.1)	
	4.1.2 The place of registration of the issuer and its registration number;	p. 302 (Section 1.1)	
	4.1.3 The date of incorporation and the length of life of the issuer, except where indefinite;	p. 302 (Section 1.3)	
	4.1.4 The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business if different from its registered office);	p. 302 (Sections 1.1 and 1.2) p. 317	
<b>5. Business Overview</b> <i>5.1 Principal activities</i>	5.1.1 A brief description of the issuer's principal activities stating the main categories of products sold and/or services performed.	p. 30-38 p. 132-140 (Section 2)	
	5.1.2 The basis for any statements in the registration document made by the issuer regarding its competitive position.	N/A	
<b>6. Organisational structure</b>	6.1 If the issuer is part of a group, a brief description of the group and of the issuer's position within it.	p. 227-229 (Note 5) (in addition to the information incorporated in this Prospectus – see "Organisational Structure of the Issuer")	

Regulation – Annex IX		2005 annual report of the Issuer which includes the audited consolidated annual financial statements for the year ended 31 December 2005	2004 annual report of the Issuer which includes the audited consolidated annual financial statements for the year ended 31 December 2004
<b>8. Profit Forecasts or Estimates</b>		N/A	
<b>9. Administrative, management, and supervisory bodies</b>	<p>9.1 Names, business addresses and functions in the issuer of the following persons, and an indication of the principal activities performed by them outside the issuer where these are significant with respect to that issuer:</p> <p>(a) members of the administrative, management or supervisory bodies;</p> <p>(b) partners with unlimited liability, in the case of a limited partnership with a share capital.</p>	p. 169-179 (Section 11.1)	
<b>10. Major Shareholders</b>	10.2 A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.	N/A	
<b>11. Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses</b>	11.1 Historical Financial Information		
	Balance sheet	p. 194-195	p. 144
	Income statement	p. 196	p. 145
	Accounting policies	p. 200-214 (Note 2)	p. 146-152 (Note 2)
	Explanatory notes	p. 200-289	p. 146-180
	11.2 Financial statements		
	Own or consolidated financial statements (if both are prepared, at least the consolidated financial statements) for the latest two financial years	p. 194-289	p. 144-180
	11.3 Auditing of historical annual financial information		
	11.3.1		
	Statement indicating that the historical financial information has been audited	p. 290-291	p. 181-182
	Refusal, qualifications or disclaimers of the audit reports, as the case may be, and reasons for such refusal, qualifications or disclaimers	N/A	N/A
	11.3.2 Other information included audited by the auditors	p. 292-301	p. 183-192

Regulation – Annex IX		2005 annual report of the Issuer which includes the audited consolidated annual financial statements for the year ended 31 December 2005	2004 annual report of the Issuer which includes the audited consolidated annual financial statements for the year ended 31 December 2004
	11.3.3 If financial data included is not extracted from the issuer's audited financial statements, source of the data and indication that the date is unaudited	N/A	N/A
<b>13. Third Party Information and Statement by Experts and Declarations of any Interest</b>	13.1 Where a statement or report attributed to a person as an expert is included in the registration document, provide such person's name, business address, qualifications and material interest if any in the issuer. If the report has been produced at the issuer's request a statement to that effect that such statement or report is included, in the form and context in which it is included, with the consent of that person who has authorised the contents of that part of the registration document.	N/A	N/A
	13.2. Third party information  Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading; in addition, identify the source(s) of the information.	N/A	N/A

Any information not listed in the cross-reference list but included in the documents incorporated by reference is given for information purposes only.

## **RESPONSIBLE PERSONS IN RESPECT OF THE INFORMATION GIVEN IN THE PROSPECTUS**

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

CNP Assurances  
4, place Raoul-Dautry  
75716 Paris Cedex 15  
France

Duly represented by Gilles Benoist  
President of the *Directoire* (Executive Board) of CNP Assurances



## RISK FACTORS

*Prospective investors should consider carefully the risks set forth below and the other information contained in this Prospectus prior to making any investment decision with respect to the Notes. Each of the risks highlighted below could have a material adverse effect on the business, operations, financial condition or prospects of the Issuer; 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.*

### **Risk Factors relating to the Issuer**

See section 3 “Risk factors relating to the Issuer” in the Cross-Reference List on page 5 in respect of documents incorporated by reference.

### **Risk Factors relating to the Notes**

#### **The Notes are Junior Subordinated Notes**

The Issuer’s obligations under the Notes are undated junior subordinated obligations of the Issuer which are the most junior debt instruments of the Issuer, subordinated to and ranking behind the claims of all other unsubordinated and ordinary subordinated creditors of the Issuer, lenders in relation to *prêts participatifs* granted to the Issuer and holders of *titres participatifs* issued by the Issuer. The Issuer's obligations under the Notes rank in priority only to any class of share capital or any other equity securities of the Issuer.

#### **Undated Securities**

The Notes are undated securities with no fixed maturity date. The Issuer is under no obligation to redeem the Notes at any time, except for certain taxation reasons or if a judgment is issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason. In the event that the Issuer has insufficient assets to satisfy all of its claims in such liquidation, the Noteholders may receive less than the Original Principal Amount (as defined in the Conditions) of the Notes and may incur a loss of their entire investment.

#### **Restrictions on Payment**

##### *Interest*

For so long as the compulsory interest provisions do not apply, the Issuer may elect, and in certain circumstances shall be required, not to pay interest falling due on the Notes on any Optional Interest Payment Date (as defined in the Conditions), with a view in particular to allowing the Issuer to ensure the continuity of its activities without weakening its financial structure. Any interest not so paid on any such Optional Interest Payment Date shall be lost and shall therefore no longer be due and payable by the Issuer.

##### *Principal*

As further specified under Condition 5 (Loss Absorption and Return to Financial Health) below:

- (i) the Original Principal Amount or then Principal Amount of the Notes may be reduced, as required, on one or more occasions following a Solvency Event; and
- (ii) following any such reductions, the then Principal Amount of the Notes may be increased, as required, on one or more occasions following a Return to Financial Health.

In the event of the occurrence of a Solvency Event, the *Directoire* (Executive Board) of the Issuer undertakes to convene an extraordinary shareholders' meeting during the 3-month period immediately following the occurrence of the Solvency Event to propose to its shareholders a share capital increase or any other measure to remedy such Solvency Event. If no satisfactory measure is taken in order to fully cure the Solvency Event, a Loss Absorption will be implemented by a partial or full reduction of the then Principal Amount, all as further specified in Condition 5(a).

#### **No Limitation on Issuing or Guaranteeing Debt**

There is no restriction on the amount of debt which the Issuer may issue or guarantee. The Issuer and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank senior in priority of payment to the Notes. If the Issuer's financial condition were to deteriorate, the Noteholders could suffer direct and materially adverse consequences, including reduction of the then Principal Amount of the Notes, loss of interest and, if the Issuer were liquidated (whether voluntarily or involuntarily), loss by Noteholders of their entire investment.

#### **Redemption Risk**

The Notes are undated securities with no specified maturity date. Nevertheless, the Notes may be redeemed in whole (but not in part), at the option of the Issuer, (i) on 16 May 2036 and on any Interest Payment Date (as defined in the Conditions) thereafter or (ii) at any time for certain tax or regulatory reasons.

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.

#### **No prior market for the Notes**

There is currently no existing market for the Notes, and there can be no assurance that any market will develop for the Notes or that Noteholders will be able to sell their Notes in the secondary market. There is no obligation to make a market in the Notes. Application has been made for the Notes to be admitted to the official list and traded on the Regulated Market of the Luxembourg Stock Exchange.

#### **No legal and tax advice**

Each prospective investor should consult its own advisers as to legal, tax and related aspects of an investment in the Notes.

## SUMMARY OF THE TERMS AND CONDITIONS OF THE NOTES

The following summary refers to certain provisions of the Terms and Conditions of the Notes and is qualified by the more detailed information contained elsewhere in this Prospectus. Defined terms used herein have the meaning given to them in “Terms and Conditions of the Notes”.

Issuer:	CNP Assurances
Description:	Undated Junior Subordinated Fixed to Floating Rate Notes
Aggregate Principal Amount:	<p>€160,000,000 Undated Junior Subordinated Fixed to Floating Rate Notes (the “<b>Notes</b>”), with an initial principal amount of €50,000 per Note (the “<b>Original Principal Amount</b>”).</p> <p>The Principal Amount of the Notes may be reduced under certain circumstances as described below (see “Loss Absorption” below).</p> <p>For the purposes of this summary, “<b>Principal Amount</b>” means the principal amount of each Note at any time taking into account any reduction or increase in accordance with the Loss Absorption or Reinstatement provisions as described below (see “Loss Absorption” and “Return to Financial Health” below).</p>
Issue Price:	100.00% of the Original Principal Amount.
Maturity:	The Notes are undated perpetual obligations and have no fixed maturity date, but may be called at the option of the Issuer under certain circumstances as described below (see “Early Redemption” below).
Status of the Notes:	<p>The Notes are Undated Junior Subordinated Notes issued pursuant to the provisions of article L.228-97 of the French <i>Code de commerce</i>.</p> <p>The obligations of the Issuer under the Notes in respect of principal, interest and other amounts, constitute direct, unconditional, unsecured and Undated Junior Subordinated Obligations and rank and shall at all times rank without any preference among themselves and equally and rateably with any other existing or future Undated Junior Subordinated Obligations, but behind all present and future Dated Junior Subordinated Obligations, <i>prêts participatifs</i> granted to, and <i>titres participatifs</i> issued by, the Issuer, Ordinary Subordinated Obligations and Unsubordinated Obligations, all as defined in Condition 1.</p> <p>The Notes shall rank in priority to any class of share capital or any other equity securities issued by the Issuer.</p>

Negative Pledge:

None.

Interest:

Each Note will bear interest on its then Principal Amount at a fixed rate of 5.25 per cent. per annum (the “**Fixed Rate**”) from (and including) 16 May 2006 (the “**Issue Date**”) to (but excluding) 16 May 2036 (the “**Fixed Rate Period**”), payable annually in arrear on 16 May in each year, commencing on 16 May 2007 (each a “**Fixed Rate Payment Date**”).

Thereafter (the “**Floating Rate Period**”), each Note will bear interest at a Floating Rate (as defined in Condition 4) per annum payable quarterly in arrear on or about 16 May, 16 August, 16 November and 16 February in each year, commencing on or about 16 August 2036 (each a “**Floating Rate Payment Date**” and together with the Fixed Rate Payment Dates, an “**Interest Payment Date**”).

Payment of interest on the Notes on any Interest Payment Date will only be compulsory on each Compulsory Interest Payment Date. On any other Interest Payment Date (an “**Optional Interest Payment Date**”), the Issuer may, at its option, elect not to pay interest in respect of the Notes accrued to that date. *Any interest not paid on such dates will be lost and will therefore no longer be due and payable by the Issuer.*

On any Optional Interest Payment Date, following the occurrence of a Solvency Event, interest shall be suspended and shall not accrue during the period commencing on the occurrence of the Solvency Event and ending on the date of the End of Solvency Event and for the avoidance of doubt, the Issuer shall have no obligation to pay interest in respect of such period, subject to the occurrence of a Compulsory Interest Payment Date.

Interest payable on Compulsory Interest Payment Date or Optional Interest Payment Date will always be calculated on the basis of the then current Principal Amount.

“**Applicable Regulations**” means at any time the solvency margin or capital adequacy regulations applicable to the Issuer and/or the Group (as defined below) then in effect in France and applicable to the Issuer and/or the Group.

**“Compulsory Interest Payment Date”** means each Interest Payment Date prior to which:

- (a) in the absence of a Solvency Event, at any time during a period of one year prior to such Interest Payment Date, or
- (b) upon the occurrence of a Solvency Event and for so long as a Solvency Event is continuing, at any time between the date of the first occurrence of that Solvency Event and the relevant Interest Payment Date,

any of the following events has occurred:

- (i) the Issuer has declared or paid a dividend in any form, or made a payment of any nature, “on any class of shares” (whether represented by ordinary shares or preference shares);
- (ii) the Issuer has made a payment on any other Undated Junior Subordinated Obligations unless such payment was a compulsory interest payment under the terms of any such other Undated Junior Subordinated Obligations issued by the Issuer;
- (iii) the Issuer has redeemed, repurchased or otherwise acquired any class of its share capital (whether such shares are represented by ordinary shares or preference shares), by any means (except shares repurchased by the Issuer (a) in the context of its own buy-back programme (*programme de rachat d’actions*) in accordance with the French *Code de commerce*, the *Règlement Général* of the *Autorité des marchés financiers* and EU Regulation No.2273/2003 dated 22 December 2003, (b) under any equity derivative hedge structure or transaction, (c) under any hedging of stock options programme or, (d) any other compensation benefit programme));
- (iv) the Issuer has redeemed, repurchased or otherwise acquired any Undated Junior Subordinated Obligations in accordance with their terms.

**“Solvency Event”** means that the solvency margin level applicable to the Issuer or the consolidated solvency margin applicable to the Group has fallen below 100 per cent. of the minimum solvency margin level required by the Applicable Regulations.

**“Group”** means the Issuer and its consolidated subsidiaries taken as a whole.

Taxation:

The Notes being denominated in Euro and therefore deemed to be issued outside the Republic of France, interest and other revenues in respect of the Notes benefit under present law from the exemption provided for in Article 131 *quater* of the *Code Général des Impôts* (General Tax Code) from deduction of tax at source.

Additional Amounts:

If at any time the Issuer is required to withhold any taxes, duties or other governmental charges with respect to any payment of principal or interest on the Notes imposed or levied by any authority in France, the Issuer will be required to pay such amounts as shall be required so that the net amount received by the Noteholders on the Notes after the withholding of any such taxes, duties or charges will not be less than the gross amount of interest or principal then otherwise due and payable.

Loss Absorption:

In the event of the occurrence of a Solvency Event, the *Directoire* (Executive Board) of the Issuer undertakes to convene an extraordinary shareholders' meeting during the 3 months immediately following the occurrence of the Solvency Event to propose to its shareholders a share capital increase or any other measure to remedy such Solvency Event.

If then, the share capital increase or any other proposed measures are not accepted by the extraordinary shareholders' meeting of the Issuer, or if the share capital increase adopted by such extraordinary shareholders' meeting is insufficiently subscribed to remedy the Solvency Event, or the amount of the losses has not been totally set off against the increase of the shareholders' funds (*capitaux propres*) of the Issuer or, in any event, if the Solvency Event remains on the last day of the financial half year during which the extraordinary shareholders' meeting was held, following the implementation of the measures adopted by the *Directoire* (Executive Board) of the Issuer or the extraordinary shareholders' meeting (as the case may be and as described above), the *Directoire* (Executive Board) of the Issuer will implement, within 10 days following the last day of the relevant financial half year, a reduction of the then Principal Amount of the Notes ("**Loss Absorption**") to off-set its losses and thereafter, to enable it to continue its business. A Loss Absorption will be implemented by a partial or full reduction of the then Principal Amount.

The amount by which the then Principal Amount as aforesaid is reduced to enable the Issuer to continue its business without weakening its financial structure will be the lower of (i) the amount of losses not set off against a share capital increase implemented as provided above and (ii) the amount of the then Principal Amount immediately prior to such reduction.

Any such reduction shall be applied in respect of each Note equally and, in the event the Issuer has outstanding other Undated Junior Subordinated Notes, such reduction will be applied on a *pro-rata* basis among them.

The Principal Amount of the Notes pursuant to the above provision may be reduced on one or more occasions, as required.

Notwithstanding any other provision, the Principal Amount of each Note shall never be reduced to an amount lower than one cent.

Reinstatement:

If following a Loss Absorption, a positive Consolidated Net Income is recorded by the Issuer for at least two consecutive financial years following the End of Solvency Event (a “**Return to Financial Health**”), the Issuer shall increase the then Principal Amount of the Notes up to such maximum amount (either up to the Original Principal Amount or up to any other amount lower than the Original Principal Amount) (a “**Reinstatement**”) to the extent that any such Reinstatement does not trigger the occurrence of a Solvency Event.

Such Reinstatement shall be made on one or more occasions in the conditions described above until the then Principal Amount of the Notes has been reinstated to the Original Principal Amount as from the Return to Financial Health (save in the event of occurrence of another Solvency Event).

Any such Reinstatement shall be applied in respect of each Note equally and, in the event the Issuer has outstanding other Undated Junior Subordinated Notes, which may also benefit from a reinstatement in accordance with their terms, such Reinstatement will be applied on a *pro-rata* basis with other reinstatements made on such other Undated Junior Subordinated Notes.

However, in any event, whether or not a Return to Financial Health has occurred, the Issuer shall increase the then Principal Amount of the Notes up to the Original Principal Amount of the Notes if any of the events referred to in paragraphs (i) to (iv) of the definition of Compulsory Interest Payment Date occur.

The amount of the Reinstatement will not exceed the amount of the latest Consolidated Net Income of the Issuer.

**“Consolidated Net Income”** means the consolidated net income (excluding minority interests) (**“*Résultat Net Part du Groupe*”**) of the Issuer as calculated in the consolidated accounts approved by the Issuer’s shareholders’ general meeting.

**“End of Solvency Event”** means that, following a Solvency Event, the solvency margin level applicable to the Issuer or the consolidated solvency margin applicable to the Group, calculated in accordance with the Applicable Regulations, complies with 100 per cent. of the minimum solvency margin level required by the Applicable Regulations.

Early Redemption:

- (1) The Notes are undated perpetual obligations in respect of which there is no fixed maturity date. However, the Notes may be redeemed (in whole but not in part) on 16 May 2036 (the **“First Call Date”**) and on any Interest Payment Date thereafter, at the option of the Issuer.
- (2) If at any time, 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, the Issuer may, on any Interest Payment Date, redeem all, but not some only of the Notes.
- (3) 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, then the Issuer shall, all, but not some only, of the Notes.



- (4) If on the occasion of the next payment due under the Notes, interest payable thereunder is not tax-deductible by the Issuer in France, the Issuer has the option to redeem all, but not some only, of the Notes.
- (5) In addition, the Issuer will have the possibility to redeem (even prior to the First Call Date) all, but not some only, of the Notes upon the occurrence of a Regulatory Event.

Any early redemption in accordance with the foregoing provisions will be subject to the prior consent of the Relevant Supervisory Authority and will be made at a price equal to the Original Principal Amount of the Notes plus any accrued but unpaid interest thereon, as the case may be, any corresponding Additional Amount and any other amounts due by the Issuer in respect thereof.

**“Regulatory Event”** means that:

- (i) under Applicable Regulations or an official application or interpretation of those regulations including a decision of a court or tribunal the Notes cease to be eligible for the purposes of calculating the solvency margin of the Issuer and/or the Group; or
- (ii) the Notes are not, or were but cease to be eligible for inclusion in the Tier 1 capital or core capital for the purpose of the determination of the solvency margin or capital adequacy ratio of the Issuer and/or the Group under Future Tier One Regulations or an official application or interpretation of those regulations including a decision of a court or tribunal.

**“Future Tier One Regulations”** means the solvency margin or capital adequacy regulations which may in the future be introduced into France (or if the Issuer and/or the Group becomes domiciled in a jurisdiction other than France, such other jurisdiction) and applicable to the Issuer and/or the Group, which would lay down the requirements to be fulfilled by financial instruments for inclusion in Tier 1 capital or core capital as opposed to Tier 2 capital or secondary capital (whatever the terminology that may be retained).

**“Relevant Supervisory Authority”** means any relevant regulator having jurisdiction over the Issuer and/or the Group, in the event that the Issuer and/or the Group is required by Applicable Regulations to comply on a consolidated basis with certain applicable minimum solvency margins or capital adequacy levels. The current Relevant Supervisory Authority is the *Commission de Contrôle des Assurances, des Mutuelles et des Institutions de Prévoyance* (CCAMIP).

Events of Default:

There will be no events of default in respect of the Notes, except in case of liquidation of the Issuer.

Representation of Noteholders:

The Noteholders will be grouped automatically for the defense of their respective common interests in a *masse* governed by the provisions of the French *Code de commerce* and by French *décret* no. 67-236 of 23 March 1967 subject to certain exceptions and provisions (the **“Masse”**). The *Masse* will be a separate legal entity, and will be acting in part through one representative (the **“Representative”**) and in part through a general assembly of the Noteholders.

Listing and Trading:

Application has been made for the Notes to be admitted to the official list and traded on the Regulated Market of the Luxembourg Stock Exchange.

Clearing Systems:

The Notes have been accepted for clearance through Euroclear France, Clearstream, Luxembourg and Euroclear.

Governing Law:

French law.

## TERMS AND CONDITIONS OF THE NOTES

The issue outside the Republic of France of the €160,000,000 Undated Junior Subordinated Fixed to Floating Rate Notes (the “**Notes**”) by CNP Assurances (the “**Issuer**”) have been authorised pursuant to a resolution of the *Directoire* (Executive Board) of the Issuer adopted on 12 October 2005 and a decision of Antoine Lissowski, member of the *Directoire* (Executive Board), dated 7 April 2006. The Notes are issued with the benefit of an agency agreement dated 16 May 2006 (the “**Agency Agreement**”) entered into between the Issuer, Fortis Banque Luxembourg SA, as fiscal agent, principal paying agent and agent bank and CACEIS Corporate Trust as paying agent. The fiscal agent, principal paying agent and agent bank and the paying agent for the time being are referred to in these Conditions as the “**Fiscal Agent**”, the “**Principal Paying Agent**”, the “**Agent Bank**” and the “**Paying Agents**” (which expression shall include the Principal Paying Agent), respectively. Each of such expressions shall include the successors from time to time of the relevant persons, in such capacities, under the Agency Agreement, and are collectively referred to as the “**Agents**”. Holders of the Notes (the “**Noteholders**”) are deemed to have notice of the provisions of the Agency Agreement applicable to them. Certain statements in these Terms and Conditions are summaries of, and are subject to, the detailed provisions of the Agency Agreement, copies of which are available for inspection during usual business hours at the specified offices of the Paying Agents. References below to “**Conditions**” are, unless the context otherwise requires, to the numbered paragraphs below.

### 1 Definitions

For the purposes of these Conditions:

**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 Euroclear Bank S.A./N.V., as operator of the Euroclear System (“**Euroclear**”) and the depositary banks for Clearstream Banking, *société anonyme* (“**Clearstream**”).

**Applicable Regulations** means at any time the solvency margin or capital adequacy regulations applicable to the Issuer and/or the Group then in effect in France and applicable to the Issuer and/or the Group.

**Business Day** means any day (other than a Saturday or a Sunday) which is a TARGET Settlement Day.

**Compulsory Interest Payment Date** means each Interest Payment Date prior to which:

- (a) in the absence of a Solvency Event, at any time during a period of one year prior to such Interest Payment Date, or
- (b) upon the occurrence of a Solvency Event and for so long as a Solvency Event is continuing, at any time between the date of the first occurrence of that Solvency Event and the relevant Interest Payment Date,

any of the following events has occurred:

- (i) the Issuer has declared or paid a dividend in any form, or made a payment of any nature, on any class of shares (whether represented by ordinary shares or preference shares);
- (ii) the Issuer has made a payment on any other Undated Junior Subordinated Obligations unless such payment was a compulsory interest payment under the terms of any such other Undated Junior Subordinated Obligations issued by the Issuer;

- (iii) the Issuer has redeemed, repurchased or otherwise acquired any class of its share capital (whether such shares are represented by ordinary shares or preference shares), by any means (except shares repurchased by the Issuer (a) in the context of its own buy-back programme (*programme de rachat d'actions*) in accordance with the French *Code de commerce*, the *Règlement Général* of the *Autorité des marchés financiers* and EU Regulation No. 2273/2003 dated 22 December 2003, (b) under any equity derivative hedge structure or transaction, (c) under any hedging of stock options programme or, (d) any other compensation benefit programme);
- (iv) the Issuer has redeemed, repurchased or otherwise acquired any Undated Junior Subordinated Obligations in accordance with their terms.

**Consolidated Net Income** means the consolidated net income (excluding minority interests) (*Résultat Net Part du Groupe*) of the Issuer as calculated in the consolidated accounts approved by the Issuer's shareholders' general meeting.

**Dated Junior Subordinated Obligations** means any Obligations (including any bonds or notes) which constitute direct, unsecured, dated and junior subordinated obligations of the Issuer and which rank and will at all times rank equally and rateably with any other existing or future Dated Junior Subordinated Obligations of the Issuer, but in priority to Undated Junior Subordinated Obligations of the Issuer but behind *prêts participatifs* granted to, and *titres participatifs* issued by, the Issuer, Ordinary Subordinated Obligations and Unsubordinated Obligations.

**End of Solvency Event** means that, following a Solvency Event, the solvency margin level applicable to the Issuer or the consolidated solvency margin applicable to the Group, calculated in accordance with the Applicable Regulations, complies with 100 per cent. of the minimum solvency margin level required by the Applicable Regulations.

**Future Tier One Regulations** means the solvency margin or capital adequacy regulations which may in the future be introduced into France (or if the Issuer and/or the Group becomes domiciled in a jurisdiction other than France, such other jurisdiction) and applicable to the Issuer and/or the Group, which would lay down the requirements to be fulfilled by financial instruments for inclusion in Tier 1 capital or core capital as opposed to Tier 2 capital or secondary capital (whatever the terminology that may be retained).

**Issue Date** means 16 May 2006.

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

**Obligations** 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.

**Ordinary Subordinated Obligations** means any Obligations (including any bonds or notes) which constitute direct, unsecured and subordinated obligations of the Issuer and which rank and will at all times rank equally and rateably with any other existing or future Ordinary Subordinated Obligations of the Issuer, but in priority to Undated Junior Subordinated Obligations of, Dated Junior Subordinated Obligations of, *prêts participatifs* granted to, and *titres participatifs* issued by, the Issuer, but behind Unsubordinated Obligations of the Issuer.

**Original Principal Amount** means the principal value of each Note on the Issue Date (i.e. €50,000), not taking into account any Loss Absorption or Reinstatement (as described in Condition 5 below).

**Principal Amount** means at any time the principal amount of each Note at any time taking into account any reduction or increase in accordance with the Loss Absorption or Reinstatement provisions (as described in Condition 5 below).

**Reference Banks** means the principal Euro-zone office of four (4) major banks (but which shall not include the Agent Bank) in the Euro-zone interbank market selected by the Agent Bank after prior consultation with the Issuer.

**Regulatory Event** means that:

- (i) under Applicable Regulations or an official application or interpretation of those regulations including a decision of a court or tribunal the Notes cease to be eligible for the purposes of calculating the solvency margin of the Issuer and/or the Group; or
- (ii) the Notes are not, or were but cease to be, eligible for inclusion in the Tier 1 capital or core capital for the purpose of the determination of the consolidated solvency margin or capital adequacy ratio of the Issuer and/or the Group under Future Tier One Regulations or an official application or interpretation of those regulations including a decision of a court or tribunal.

**Relevant Supervisory Authority** means any relevant regulator having jurisdiction over the Issuer and/or the Group, in the event that the Issuer and/or the Group is required by Applicable Regulations to comply on a consolidated basis with certain applicable minimum solvency margins or capital adequacy levels. The current Relevant Supervisory Authority is the *Commission de Contrôle des Assurances, des Mutuelles et des Institutions de Prévoyance* (CCAMIP).

**Solvency Event** means that the solvency margin level applicable to the Issuer or the consolidated solvency margin applicable to the Group has fallen below 100 per cent. of the minimum solvency margin level required by the Applicable Regulations.

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

**TARGET System** means the Trans-European Automated Real-Time Gross Settlement Express Transfer System.

**Undated Junior Subordinated Notes** means all and any bonds or notes of the Issuer which constitute direct, unsecured, undated and junior subordinated obligations (*titres subordonnés de dernier rang*) of the Issuer, including bonds or notes which subordination provisions are governed by the provisions of Article L.228-97 of the French *Code de commerce* and which shall at all times rank without any preference among themselves and equally and rateably with any other existing or future Undated Junior Subordinated Obligations, but behind all present and future Dated Junior Subordinated Obligations of, *prêts participatifs* granted to, and *titres participatifs* issued by the Issuer, and to Ordinary Subordinated Obligations of, and Unsubordinated Obligations of the Issuer.

**Undated Junior Subordinated Obligations** means any undated junior subordinated notes (including the Notes) or other junior subordinated Obligations of the Issuer which rank, or are expressed to rank, equally and rateably with the Notes.

**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 of the Issuer, but in priority to Undated Junior Subordinated Obligations of, Dated Junior Subordinated Obligations of, *prêts participatifs* granted to, and *titres participatifs* issued by, and Ordinary Subordinated Obligations of the Issuer.

## **2 Form, Denomination and Title**

The Notes are issued in bearer form in the denomination of €50,000 each and will at all times, in compliance with Article L.211-4 of the French *Code monétaire et financier*, be represented in book-entry form (*inscription en compte*) in the books of the Account Holders. 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 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

The Notes are Undated Junior Subordinated Notes issued pursuant to the provisions of article L.228-97 of the French *Code de commerce*.

The obligations of the Issuer under the Notes in respect of principal, interest and other amounts, constitute direct, unconditional, unsecured and Undated Junior Subordinated Obligations of the Issuer and rank and shall at all times rank without any preference among themselves and equally and rateably with any other existing or future Undated Junior Subordinated Obligations, but behind all present and future Dated Junior Subordinated Obligations, *prêts participatifs* granted to, and *titres participatifs* issued by, the Issuer, Ordinary Subordinated Obligations and Unsubordinated Obligations.

The Notes shall rank in priority to any class of share capital or any other equity securities issued by the Issuer.

If any judgement is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) or, following an order of *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 payment of the Noteholders in respect of principal, interest and other amounts will be calculated on the basis of the Original Principal Amount of the Notes together with accrued interest and to the extent that all other creditors of the Issuer (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, creditors with respect to Dated Junior Subordinated Obligations, lenders in relation to *prêts participatifs* granted to, and holders of *titres participatifs* issued by, the Issuer, creditors with respect to Ordinary Subordinated Obligations and Unsubordinated Obligations) ranking in priority to the Noteholders have been or will be fully reimbursed,. The rights of the Noteholders in the event of the liquidation of the Issuer for any other reason than judicial liquidation (*liquidation judiciaire*) will be calculated on the basis of the Original Principal Amount of the Notes together with accrued interest and any other outstanding payments under the Notes.

In the event of incomplete payment of creditors ranking senior to holders of Undated Junior Subordinated 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 Undated Junior Subordinated Notes and relative interest will be terminated.

***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.***

### 4 Interest

#### (a) ***Interest Payment Dates***

Each Note will bear interest on its then Principal Amount at a fixed rate of 5.25 per cent. per annum (the “**Fixed Rate**”) from (and including) 16 May 2006 (the “**Issue Date**”) to (but excluding) 16 May 2036 (the “**Fixed Rate Period**”), payable annually in arrear on 16 May in each year,

commencing on 16 May 2007 (each a “**Fixed Rate Payment Date**”). The period from (and including) the Issue Date to but excluding the next succeeding Fixed Rate Payment Date and each successive period from and including a Fixed Rate Payment Date to but excluding the next succeeding Fixed Rate Payment Date is called a “**Fixed Rate Interest Period**”.

If interest is required to be calculated for a period within the Fixed Rate Period of less than one year, it will be calculated on the basis of the actual number of days elapsed in the relevant period from and including the date from which interest begins to accrue to, but excluding, the date on which it falls due, divided by the actual number of days in the Fixed Rate Interest Period in which the relevant period falls (including the first such day but excluding the last) and rounding the resultant figure to the nearest €0.01 (0.005 being rounded upwards).

Thereafter (the “**Floating Rate Period**”), each Note will bear interest at a Floating Rate (the “**Floating Rate**”, together with the Fixed Rate, the “**Interest Rate**”) per annum payable quarterly in arrear on or about 16 May, 16 August, 16 November and 16 February, in each year, commencing on or about 16 August 2036 (each a “**Floating Rate Payment Date**” and together with the Fixed Rate Payment Dates, an “**Interest Payment Date**”). If any “Floating Interest Payment Date” would otherwise fall on a day which is not a Business Day (as defined below) it shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month in which event it shall be brought forward to the immediately preceding Business Day. The period from (and including) 16 May 2036 to but excluding the next succeeding Floating Rate Payment Date and each successive period from and including a Floating Rate Payment Date to but excluding the next succeeding Floating Rate Payment Date is called a “**Floating Rate Interest Period**”.

(b) ***Interest Accrual***

Each Note will cease to bear interest from and including the due date for redemption unless payment of the principal in respect of the Note is improperly withheld or refused on such date or unless payment is not received for any other reasons. In such event it shall continue to bear interest at the applicable Rate of Interest until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder, and (ii) the day after the Fiscal Agent has notified the Noteholders of receipt of all sums due in respect of all the Notes up to that day (except to the extent that there is failure in the subsequent payment to the relevant Noteholder under these Conditions).

(c) ***Floating Rate***

The Floating Rate for each Floating Rate Interest Period will be determined on the basis of the following provisions:

- (i) On each “**Interest Determination Date**”, namely the second Business Day before the commencement of the Floating Rate Interest Period for which the rate will apply, the Agent Bank will obtain the European inter-bank offered rate for three-month deposits in Euro (“**EURIBOR**”), as calculated by Bridge Information Systems on behalf of the European Banking Federation and the International Foreign Exchange Dealers Association and published on Telerate page 248 (or such page or service as may replace it for the purposes of displaying European inter-bank offered rates of leading reference banks for deposits in euro) (the “**EURIBOR Page**”), as at 11.00 a.m. (Brussels time) on the Interest Determination Date in question (the “**Reference Rate**”).

The Floating Rate for the following Floating Rate Interest Period shall be the aggregate of 1.85 per cent. per annum and the Reference Rate which so appears as determined by the Agent Bank.

- (ii) If, for any reason, on any Interest Determination Date, no rate is calculated and is published on the EURIBOR Page, the Agent Bank will request any of the Reference Banks to provide it with their respective quotations of the rates offered by such banks at approximately 11.00 a.m. (Brussels time) on such Interest Determination Date, to prime banks in the European inter-bank market for three-month deposits for Euro in an amount that is, in the reasonable opinion of the Agent Bank, representative for a single transaction in the relevant market at the relevant time. The Floating Rate for such Floating Rate Interest Period shall be the aggregate of 1.85 per cent. per annum and the arithmetic mean (rounded if necessary to the second decimal place with 0.005 being rounded upwards) of the rates so quoted.
  - (iii) If only two or three rates are so quoted on any Interest Determination Date, the Agent Bank will determine the arithmetic mean (rounded, if necessary, to the nearest second decimal place, with 0.005 being rounded upwards) of the rates so quoted and the Floating Rate for such Floating Rate Interest Period shall be the aggregate of 1.85 per cent. per annum and such arithmetic mean. If fewer than two rates are so quoted on any Interest Determination Date, the Floating Rate in respect of such Floating Rate Interest Payment Date shall be Floating Rate already in effect on such Interest Determination Date.
- (d) ***Determination of Floating Rate and Interest Amount with respect to the Floating Rate Interest Period***
- The Agent Bank shall, as soon as practicable after 11.00 a.m. (Brussels time) on each Interest Determination Date determine the Floating Rate and calculate the amount of interest (each an “**Interest Amount**”) payable in respect of each Note for the relevant Floating Rate Interest Period.
- The Interest Amount shall be calculated by applying the Floating Rate to the Principal Amount of each Note and multiplying such product by the actual number of days in the Floating Rate Interest Period concerned divided by 360 and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards).
- (e) ***Publication of Floating Rate and Interest Amount with respect to the Floating Rate Interest Period***
- The Agent Bank shall cause the Floating Rate and the Interest Amount for each Floating Rate Interest Period and the relevant Interest Payment Date to be notified (a) to the Issuer, the Fiscal Agent (if different from the Agent Bank) and each other Paying Agent (if any), to the Luxembourg Stock Exchange and to any stock exchange on which the Notes are at the relevant time listed not later than 3.00 p.m. (Brussels time) on the Interest Determination Date and (b) to the Noteholders in accordance with Condition 11 as soon as possible after their determination but in no event later than the second Business Day thereafter. The Interest Amount and Interest Payment Date so published may subsequently be amended by the Agent Bank (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Floating Rate Interest Period.
- (f) ***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, whether by the Reference Banks (or any of them) or the Agent Bank, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent Bank, the Fiscal Agent, the Paying Agents 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 Agent Bank in connection with the



exercise or non-exercise by it of its powers, duties and discretions under this Condition.

(g) ***Agent Bank***

The Agency Agreement provides that the Issuer may at any time terminate the appointment of the Agent Bank and appoint a substitute Agent Bank provided that so long as any of the Notes remain outstanding there shall at all times be an Agent Bank 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 Agent Bank or failing duly to determine the Floating Rate and the Interest Amount for any Floating Rate Interest Period, the Issuer shall appoint the European office of another leading bank engaged in the Paris, London or Luxembourg interbank market to act in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed. The Agent Bank shall act as an independent expert and not as agent for the Issuer or the Noteholders.

(h) ***Compulsory Interest and Optional Interest***

Payment of interest on the Notes on any Interest Payment Date will only be compulsory on each Compulsory Interest Payment Date. On any other Interest Payment Date (an “**Optional Interest Payment Date**”), the Issuer may, at its option, elect not to pay interest in respect of the Notes accrued to that date with a view in particular to allowing the Issuer to ensure the continuity of its activities without weakening its financial structure. ***Any interest not paid on such dates will be lost and will therefore no longer be due and payable by the Issuer.***

On any Optional Interest Payment Date, following the occurrence of a Solvency Event, interest shall be suspended and shall not accrue during the period commencing on the occurrence of the Solvency Event and ending on the date of the End of Solvency Event and for the avoidance of doubt, the Issuer shall have no obligation to pay interest in respect of such period, subject to the occurrence of a Compulsory Interest Payment Date.

Interest payable on a Compulsory Interest Payment Date or Optional Interest Payment Date will always be calculated on the basis of the then current Principal Amount.

The suspension of payment and accrual of interest in accordance with this Condition 4(h) shall be notified by the Issuer to the Noteholders in accordance with Condition 11 and to the Luxembourg Stock Exchange so long as the rules of such stock exchange so require not later than seven (7) Business Days prior to the relevant Interest Payment Date.

## **5 Loss Absorption and Return to Financial Health**

(a) ***Loss Absorption***

In the event of the occurrence of a Solvency Event, the *Directoire* (Executive Board) of the Issuer undertakes to convene an extraordinary shareholders' meeting during the 3 months immediately following the occurrence of the Solvency Event to propose to its shareholders a share capital increase or any other measure to remedy such Solvency Event.

If then, the share capital increase or any other proposed measures are not accepted by the extraordinary shareholders' meeting of the Issuer, or if the share capital increase adopted by such extraordinary shareholders' meeting is insufficiently subscribed to remedy the Solvency Event, or the amount of the losses has not been totally set off against the increase of the shareholders' funds (*capitaux propres*) of the Issuer or, in any event, if the Solvency Event remains on the last day of the financial half year during which the extraordinary shareholders' meeting was held, following the implementation of the measures adopted by the *Directoire* (Executive Board) of the Issuer or

the extraordinary shareholders' meeting (as the case may be and as described above), the *Directoire* (Executive Board) of the Issuer will implement, within 10 days following the last day of the relevant financial half year, a reduction of the then Principal Amount of the Notes (“**Loss Absorption**”) to off-set its losses and thereafter, to enable it to continue its business. A Loss Absorption will be implemented by a partial or full reduction of the then Principal Amount.

The amount by which the then Principal Amount as aforesaid is reduced to enable the Issuer to continue its business without weakening its financial structure will be the lower of (i) the amount of losses not set off against a share capital increase implemented as provided above and (ii) the amount of the then Principal Amount immediately prior to such reduction.

Any such reduction shall be applied in respect of each Note equally and, in the event the Issuer has outstanding other Undated Junior Subordinated Notes, such reduction will be applied on a *pro-rata* basis among them.

The Principal Amount of the Notes pursuant to the above provision may be reduced on one or more occasions, as required.

Notwithstanding any other provision, the Principal Amount of each Note shall never be reduced to an amount lower than one cent.

(b) ***Reinstatement***

If following a Loss Absorption, a positive Consolidated Net Income is recorded by the Issuer for at least two consecutive financial years following the End of Solvency Event (a “**Return to Financial Health**”), the Issuer shall increase the then Principal Amount of the Notes up to such maximum amount (either up to the Original Principal Amount or up to any other amount lower than the Original Principal Amount) (a “**Reinstatement**”) to the extent that any such Reinstatement does not trigger the occurrence of a Solvency Event.

Such Reinstatement shall be made on one or more occasions in the conditions described above until the then Principal Amount of the Notes has been reinstated to the Original Principal Amount as from the Return to Financial Health (save in the event of occurrence of another Solvency Event).

Any such Reinstatement shall be applied in respect of each Note equally and, in the event the Issuer has outstanding other Undated Junior Subordinated Notes which may also benefit from a reinstatement in accordance with their terms, such Reinstatement will be applied on a *pro-rata* basis with other reinstatements made on such other Undated Junior Subordinated Notes.

However, in any event, whether or not a Return to Financial Health has occurred, the Issuer shall increase the then Principal Amount of the Notes up to the Original Principal Amount of the Notes if any of the events referred to in paragraphs (i) to (iv) of the definition of Compulsory Interest Payment Date occur.

The amount of a Reinstatement may not exceed the amount of the latest Consolidated Net Income of the Issuer.

(c) ***Notifications***

The occurrence of a Solvency Event, End of Solvency Event or Return to Financial Health shall be notified to the Noteholders in accordance with Condition 11 and to the Luxembourg Stock Exchange so long as the rules of such stock exchange so require not later than seven (7) Business Days following its occurrence.

Any reduction or increase of the Principal Amount of the Notes shall be notified to the Noteholders in accordance with Condition 11 and to the Luxembourg Stock Exchange so long as the rules of

such stock exchange so require not later than seven (7) Business Days prior to its occurrence.

## **6 Redemption and Purchase**

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

### **(a) *No Final Maturity***

The Notes are undated Obligations of the Issuer and have no fixed maturity.

### **(b) *Redemption for Taxation Reasons***

- (1) If at any time, 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 8, the Issuer may, on any Interest Payment Date, subject to the prior written consent of the Relevant Supervisory Authority (whose consent the Issuer is required to obtain in accordance with applicable legislation), subject to having given not more than 45 nor less than 30 days' prior notice to the Noteholders in accordance with Condition 11 (which notice shall be irrevocable), redeem all, but not some only, of the Notes at their Original Principal Amount, together with all interest accrued to the date fixed for redemption, 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 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 8 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 8, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall, subject to the prior written consent of the Relevant Supervisory Authority (whose consent the Issuer is required to obtain in accordance with applicable legislation), and upon giving not less than seven (7) days' prior notice to the Noteholders in accordance with Condition 11 (which notice shall be irrevocable), redeem all, but not some only, of the Notes at their Original Principal Amount, together with all interest accrued to the date fixed for redemption 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 on the occasion of the next payment due under the Notes, interest payable thereunder is not tax-deductible by the Issuer in France, the Issuer may, subject to the prior written consent of the Relevant Supervisory Authority (whose consent the Issuer is required to obtain in accordance with applicable legislation), redeem all, but not some only, of the outstanding Notes at the Original Principal Amount together with all interest accrued to the date fixed for redemption, on the latest practicable date on which the Issuer could make such payment with interest payable being tax deductible in France or, if such date is past, as soon as practicable thereafter.
- (4) The Issuer shall give the Fiscal Agent notice of any such redemption not less than 30 nor more than 45 days before the date fixed for redemption and the Fiscal Agent shall promptly thereafter publish a notice of redemption in accordance with Condition 11.

(c) ***Redemption for Regulatory Reasons***

The Issuer will have the possibility to redeem (even prior to the First Call Date as defined in Condition 6(d) below) all, but not some only, of the Notes upon the occurrence of a Regulatory Event, subject to having given not more than 45 nor less than 30 days' prior notice to the Noteholders in accordance with Condition 11.

Any early redemption in accordance with the foregoing provisions will be subject to the prior consent of the Relevant Supervisory Authority and will be made at a price equal to the Original Principal Amount of the Notes plus any accrued but unpaid interest thereon to the date fixed for redemption and, as the case may be, any Additional Amount and any other amounts due by the Issuer in respect thereof.

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

The Issuer may, subject to the prior written consent of the Relevant Supervisory Authority (whose consent the Issuer is required to obtain in accordance with applicable legislation), and subject to having given not more than 45 nor less than 30 days' prior notice to the Noteholders in accordance with Condition 11 (which notice shall be irrevocable), redeem all, but not some only, of the Notes at their then Original Principal Amount, together with all interest accrued to the date fixed for redemption on the Interest Payment Date falling on or about 16 May 2036 (the "**First Call Date**") or on any Interest Payment Date falling thereafter.

(e) ***Mandatory Redemption***

If any judgement is issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer has been liquidated for any other reason, then the Notes shall become immediately due and payable as described below.

The rights of the Noteholders in the event of the judicial liquidation (*liquidation judiciaire*) of the Issuer will be calculated on the basis of the then Principal Amount of the Notes together with accrued interest (if any) and any other outstanding payments under the Notes.

If the Original Principal Amount has been reduced in the context of one or more Loss Absorption(s), the rights of the Noteholders are calculated on the basis of the Original Principal Amount, to the extent that all other creditors of the Issuer (including holders of Unsubordinated Obligations of the Issuer, holders of Ordinary Subordinated Obligations of the Issuer, lenders in relation to *prêts participatifs* granted to the Issuer and holders of *titres participatifs* issued by the Issuer) have been or will be fully reimbursed, as ascertained by the liquidator.

The rights of the Noteholders in the event of the liquidation of the Issuer for any other reason than judicial liquidation (*liquidation judiciaire*) will be calculated on the basis of the Original Principal Amount of the Notes together with accrued interest and any other outstanding payments under the Notes.

(f) ***Notice of Redemption***

All Notes in respect of which any notice of redemption is given by the Issuer under this Condition shall be redeemed on the date specified in such notice in accordance with this Condition.

Such notice of redemption must be given to the Noteholders in accordance with Condition 11 and to the Luxembourg Stock Exchange so long as the rules of such stock exchange so require.

(g) ***Purchase***

The Issuer or any of its affiliated entities may at any time, subject to the prior consent of the Relevant Supervisory Authority (whose consent the Issuer is required to obtain in accordance

with applicable legislation), purchase Notes in the open market or otherwise at any price agreed between the Issuer or such affiliated entity and the relevant Noteholder. Such purchase of Notes by the Issuer shall be effected, if it relates to less than 5 per cent. of the Notes, subject to the prior information only of the Relevant Supervisory Authority.

(h) ***Cancellation***

All Notes redeemed or purchased by the Issuer will be cancelled and accordingly may not be re-issued or resold.

**7 Payments**

(a) ***Method of Payment***

Payments of principal, interest (including, for the avoidance of doubt, Additional Amounts) and other amounts in respect of the Notes will be made in euro, by credit or transfer to an account denominated in euro (or any other account to which euro may be credited or transferred) specified by the payee in a country within the TARGET 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, the Agent Bank 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, Luxembourg as the holder of a particular nominal amount of Notes, but without prejudice to the provisions of Condition 8.

(b) ***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.

In this Condition, “**Business Day**” means a day on which Euroclear France is open for business and which is also a day on which the TARGET System is operating.

(c) ***Fiscal Agent, Agent Bank and Paying Agents***

The initial specified offices of the initial Fiscal Agent, Agent Bank and Paying Agent are as follows:

**FISCAL AGENT, PRINCIPAL PAYING AGENT AND AGENT BANK**

Fortis Banque Luxembourg SA  
50, avenue John Fitzgerald Kennedy  
L-2951 Luxembourg  
Grand Duchy of Luxembourg

**PARIS PAYING AGENT**  
CACEIS Corporate Trust  
14, rue Rouget de Lisle  
92862 Issy-les-Moulineaux Cedex 9  
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, Principal Paying Agent, Agent Bank 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 (i) a Fiscal Agent, a Principal Paying Agent and an Agent Bank having a specified office in a major European city and (ii) so long as the Notes are listed and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules of such stock exchange so require, a Paying Agent having a specified office in Luxembourg (which may be the Principal Paying Agent). The Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

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 11.

## **8 Taxation**

- (a) The Notes being denominated in Euro and therefore deemed to be issued outside the Republic of France for taxation purposes, interest and other revenues in respect of the Notes benefit under present law from the exemption provided for in Article 131 *quater* of the *Code Général des Impôts* (General Tax Code) from deduction of tax at source.
- (b) If French law should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the Republic of France or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts (“**Additional Amounts**”) as may be necessary in order that the holder of each Note, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such withholding; provided, however, that the Issuer shall not be liable to pay any such Additional Amounts in respect of any Note:
  - (i) to a holder (or beneficial owner (*ayant droit*)) who is subject 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 such Note, or
  - (ii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to the European Council Directive 2003/48/EC or any other European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

Any reference in these Conditions to principal and/or interest shall be deemed to include any Additional

Amounts.

## 9 Prescription

Claims in respect of principal and interest under the Notes will become prescribed ten years (in the case of principal) and five years (in the case of interest) from the due date for payment.

## 10 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*”).

In accordance with Article L.228-90 of the *Code de commerce* (French Commercial Code) (the “**Code**”), the *Masse* will be governed by the provisions of the Code applicable to the *Masse* (with the exception of the provisions of Articles L.228-48 and L.228-59 thereof) and of French decree No. 67-236 of 23 March 1967, as amended, applicable to the *Masse* (with the exception of the provisions of Articles 218, 222, 224 and 226 thereof), subject to the following provisions:

### (a) **Legal Personality**

The *Masse* will be a separate legal entity, by virtue of Article L.228-46 of the Code, acting in part through a representative (the “**Representative**”) and in part through a general assembly of Noteholders.

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.

### (b) **Representative**

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representative:

- (i) the Issuer;
- (ii) any entity holding, directly or indirectly, at least 10 per cent. of the share capital of the Issuer or at least 10 per cent. of the share capital of which is, directly or indirectly, held by the Issuer;
- (iii) companies guaranteeing all or part of the obligations of the Issuer;
- (iv) any member of the *Conseil d'Administration* (Board of Directors), any member of the *Directoire* (Executive Board), any member of the *Conseil de Surveillance* (Supervisory Board), the statutory auditors or any employee, managing director, director or general managers (*Directeurs Généraux*) (or their respective ascendants, descendants and spouse) of the entities referred to in (i) or (iii) above;
- (v) persons to whom the practice of banker is forbidden or who have been deprived of the right of direction, administering or managing a business in whatever capacity.

The initial Representative shall be:

Christian Le Hir  
c/o IXIS Corporate & Investment Bank  
47, quai d'Austerlitz  
75648 Paris Cedex 13  
France

The alternative representative (the "**Alternative Representative**") shall be:

Richard Saden  
c/o IXIS Corporate & Investment Bank  
47, quai d'Austerlitz  
75648 Paris Cedex 13  
France

In the event of death, incompatibility, resignation or revocation of the Representative, such Representative will be replaced by the Alternative Representative. The Alternative Representative shall have the same powers as the Representative.

In the event of death, incompatibility, resignation or revocation of the Alternative Representative, a replacement will be elected by a meeting of the general assembly of the Noteholders.

The Issuer shall not pay any remuneration to the Representative.

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

(c) ***Powers of the Representative***

The Representative shall, in the absence of any decision to the contrary of the general assembly of the Noteholders, have the power to take all acts of management to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders or initiated by them, in order to be valid, must be brought against the Representative or by it.

The Representative may not interfere in the management of the affairs of the Issuer.

(d) ***General Assemblies of Noteholders***

General assemblies 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 of the outstanding Original Principal Amount of the Notes may address to the Issuer and the Representative a demand for convocation of the general assembly; if such general assembly has not been convened within two months from 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 meeting.

Notice of the date, hour, place, agenda and quorum requirements of any meeting of a general assembly will be published as provided under Condition 11 not less than six days prior to the date of the general assembly.

Each Noteholder has the right to participate in meetings of the *Masse* in person or by proxy. Each Note carries the right to one vote.

(e) ***Powers of General Assemblies***

A general assembly is empowered to deliberate on the fixing of the remuneration, dismissal or replacement of the Representative and the Alternative Representative and may also act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

A general assembly may further deliberate on any proposal relating to the modification of the



Conditions of the Notes, including:

- (i) any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions; and
- (ii) any proposal relating to the issue of securities carrying a right of preference compared to the rights of the Noteholders;

it being specified, however, that a general assembly may not increase amounts payable by the Noteholders nor establish any unequal treatment between the Noteholders, nor decide to convert the Notes into shares. Any amendment to the Conditions is subject to the prior approval of the Relevant Supervisory Authority (in accordance with article A. 334-3 of the French *Code des Assurances*)

Meetings of a general assembly may deliberate validly on first convocation only if Noteholders present or represented hold at least one fifth of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third majority of votes cast by the Noteholders attending such meeting or represented thereat.

Decisions of the general assembly must be published in accordance with the provisions set out in Condition 11 not more than 90 calendar days from the date thereof.

(f) ***Information to the Noteholders***

Each Noteholder or representative thereof will have the right, during the six calendar days period preceding the holding of each meeting of a general assembly, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the meeting, which will be available for inspection at the principal office of the Issuer, at the offices of the Paying Agents and at any other place specified in the notice of meeting.

(g) ***Expenses***

The Issuer will pay all reasonable expenses incurred in the operation of the *Masse*, including expenses relating to the calling and holding of meetings and the expenses which arise by virtue of the remuneration of the Representative, and more generally all administrative expenses resolved upon by a general assembly of the Noteholders, it being expressly stipulated that no expenses may be imputed against interest payable on the Notes.

## **11 Notices**

Any notice to the Noteholders shall be validly given by delivery to Euroclear France, Euroclear and Clearstream, Luxembourg for so long as the Notes are cleared through such clearing systems, except that, so long as the Notes are listed and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules of that stock exchange so require, such notice shall also be published in a leading daily newspaper having general circulation in Luxembourg (which is expected to be the *d'Wort*) or on the Luxembourg Stock Exchange website ([www.bourse.lu](http://www.bourse.lu)) or, if any such publication is not practicable, or the Notes are no longer so listed, in a leading English language daily newspaper having general circulation in Europe. 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 first date on which such publication is made.

## **12 Further Issues**

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 save for the amount and date of

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 be grouped together, for the defence of their common interests, in a single *Masse* having legal personality.

### **13 Governing Law and Jurisdiction**

The Notes are governed by the laws of the Republic of France.

Any action against the Issuer in connection with the Notes will be submitted to the exclusive jurisdiction of the competent courts in Paris.

## **USE OF PROCEEDS**

The net proceeds of the issue of the Notes are estimated to be approximately €157,851,100 and will be used to strengthen the Issuer's balance sheet with hybrid capital.

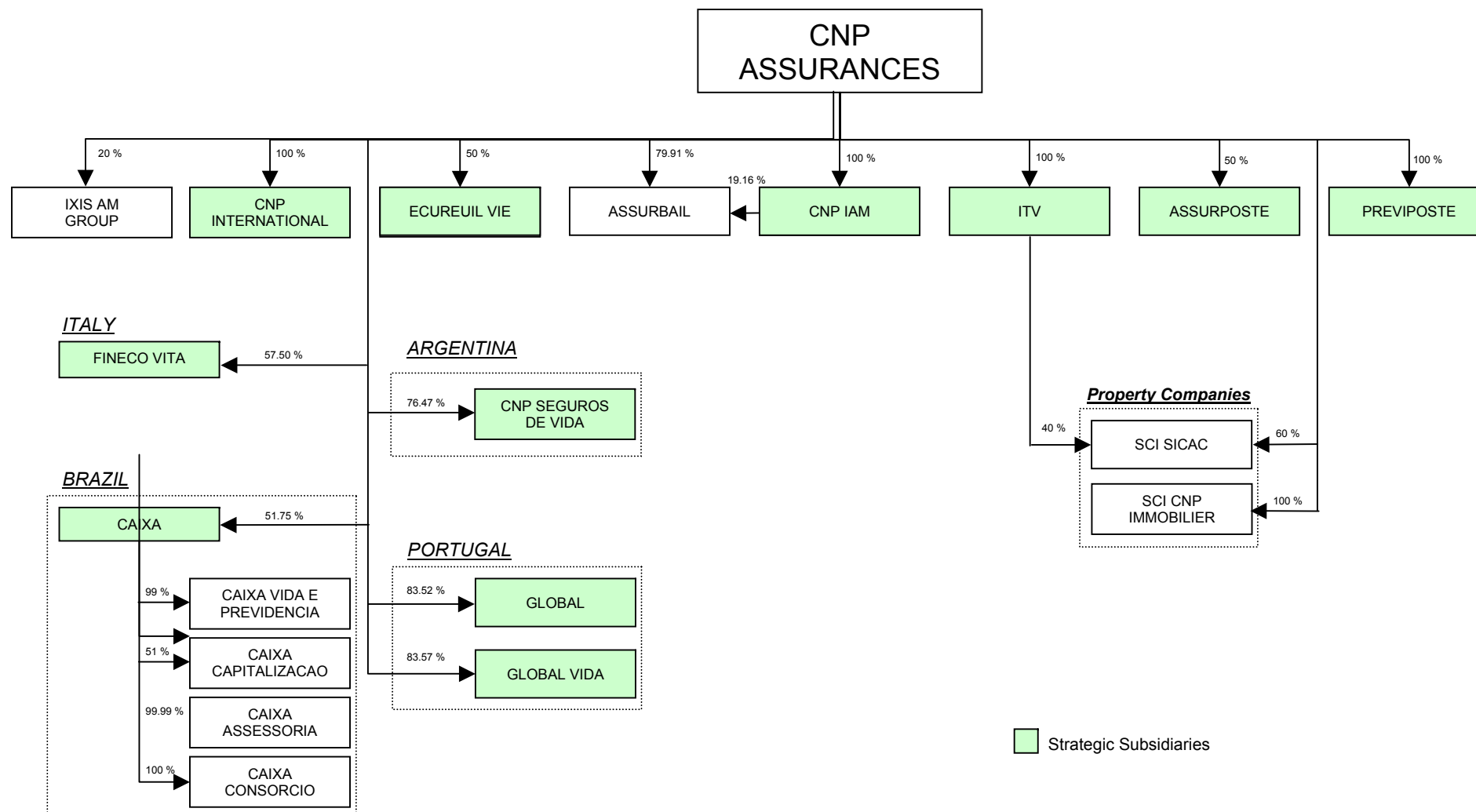
## ORGANISATIONAL STRUCTURE OF THE ISSUER

CNP Assurances' main shareholders are the *Caisse des Dépôts et Consignations*, *La Poste* and the *Caisse d'Épargne*, as set out in "General information about the Company's capital - Changes in ownership structure in the last three years" above.

To the date of this Prospectus none of those three main shareholders holds more than 50 per cent. of the share capital or voting rights in the Issuer. The Issuer is not dependent upon any entities within a group as such. The Issuer is the parent company of a group as described below in the simplified Group organisation chart as at 31 December 2005 comprising consolidated subsidiaries of the Issuer.

For further information, please refer to the Sections "Documents incorporated by reference" and "Cross-reference list in respect of the description of the Issuer" (point 6.1 of the cross-reference list) in the Prospectus.

# SIMPLIFIED GROUP ORGANISATION CHART AS AT 31 DECEMBER 2005 COMPRISING CONSOLIDATED SUBSIDIARIES OF THE ISSUER



## **RECENT DEVELOPMENTS RELATING TO THE ISSUER**

There has been no significant change in the financial or trading position and prospects of the Issuer since 31 December 2005.

## TAXATION

*The statements herein regarding taxation are based on the laws in force in France and/or, as the case may be, the Grand-Duchy of Luxembourg as of the date of this Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the French or, as the case may be, the Luxembourg tax consequences of any investment in or ownership and disposition of the Notes.*

### **EU Directive on the Taxation of Savings Income**

The EU Savings Directive dated 3 June 2003 (in this section "Taxation", the "**Directive**") provides that each Member State is required, since 1 July 2005 to give to the tax authorities of another Member State details of payments of interest (or similar income) made by a paying agent located within its jurisdiction to an individual resident in that other Member State, except that, for a transitional period, Belgium, Luxembourg and Austria will instead be required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments unless the beneficiary elects for the exchange of information regime (the ending of such transitional period being dependent upon the conclusion of certain agreements relating to information exchange with certain other countries).

In relation to French taxation, the Directive has been implemented in French law under Article 242 *ter* of the *Code général des impôts* and Articles 49 I *ter* to 49 I *sexies* of the Schedule III to the *Code général des impôts* (general tax code).

The Directive, as well as several agreements concluded between Luxembourg and certain dependant territories of the European Union, have been implemented in Luxembourg by the Laws dated 21 June 2005 (the "**Laws**").

### **French Taxation**

The Notes denominated in euros are deemed to be issued outside the Republic of France for the purposes of Article 131 *quater* of the *Code Général des Impôts*. Consequently, interest and other revenues paid in respect of the Notes to non-French residents will benefit under present law from the exemption of the withholding tax on interest set out under Article 125 A III of the *Code général des impôts*. Accordingly, such payments do not give the right to any tax credit from any French source.

### **Luxembourg Taxation**

There is no Luxembourg withholding tax payable on payments received upon repayment of the principal of the Notes.

## **Individuals**

### *Luxembourg residents*

A 10% withholding tax has been introduced, since 1 January 2006 on interest payments made by Luxembourg paying agents (defined in the same way as in the Directive) to Luxembourg individual residents. Only interest accrued after 1 July 2005 falls within the scope of this withholding tax. Income from current accounts, provided that the interest rate is not higher than 0.75%, are exempt from the withholding tax. Furthermore, interest which is accrued once a year on savings accounts (short and long term) and which does not exceed €250 per person and per paying agent is exempted from the withholding tax.

This withholding tax represents the final tax liability for the Luxembourg individual resident taxpayers.

### *Luxembourg non-residents*

Subject to the application of the Directive and the Laws, there is no withholding tax for Noteholders non-resident of Luxembourg on payments of interest (including accrued but unpaid interest).

Under the Directive and the Laws, a Luxembourg based paying agent (within the meaning of the Directive) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State, unless the beneficiary of the interest payments elects for the exchange of information. The same regime applies to payments to individuals resident in certain dependent territories.

The withholding tax rate is initially 15%, increasing steadily to 20% and to 35%. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

## **Corporations**

There is no withholding tax for Luxembourg resident and non-resident corporations Noteholders on payments of interest (including accrued but unpaid interest).

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



## SUBSCRIPTION AND SALE

IXIS Corporate & Investment Bank (the “**Manager**”) has pursuant to a Subscription Agreement dated 12 May 2006 (the “**Subscription Agreement**”) agreed with the Issuer, subject to satisfaction of certain conditions, to purchase the Notes at a price equal to 100.00 per cent. of their principal amount, less a total combined selling concession and management and underwriting commission of 1,343,062.5 per cent. The Issuer has agreed to indemnify the Manager against certain liabilities, incurred in connection with the issue of the Notes. The Subscription Agreement entitles the Manager to terminate it in certain circumstances prior to payment being made to the Issuer.

### General Restrictions

No action has been or will be taken in any country or jurisdiction that would permit a public offering of the Notes, or the possession or distribution of this Prospectus or any other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Accordingly, any Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any circular, prospectus, form of application, advertisement or other offering material relating to the Notes may be distributed in or from, or published in, any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

### Republic of France

Each of the Manager and the Issuer has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, the Notes to the public in the Republic of France and offers and sales of Notes in the Republic of France will be made only to (i) providers of investment services relating to portfolio management for the account of third party (*personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers*), and/or (ii) qualified investors (*investisseurs qualifiés*), all as defined in and in accordance with Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*. In addition, each of the Manager and the Issuer has represented and agreed that it has not distributed or caused to be distributed and will not distribute or cause to be distributed in the Republic of France this Prospectus or any other offering material relating to the Notes other than to those investors to whom offers and sales of Notes in the Republic of France may be made as described above.

### United States

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or the securities law of any U.S. state, and may not be offered or sold, directly or indirectly, in the United States of America or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or such state securities laws. The Notes are being offered and sold only outside of the United States to non-U.S. persons in reliance upon an exemption from registration under the Securities Act pursuant to Regulation S.

The Manager has represented and agreed that:

- (i) it has not offered or sold, and will not offer or sell, the Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the issue date of the Notes, within the United States or to, or for the account or benefit of, U.S. persons; and
- (ii) it will have sent to each distributor or dealer to which it sells Notes during such 40-day period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

Terms used in this paragraph and not otherwise defined in this Prospectus have the meanings given to them in Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

### **United Kingdom**

The Manager has represented and agreed that:

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

## GENERAL INFORMATION

- 1 The Notes have been accepted for clearance through Euroclear France and Clearstream, Luxembourg and Euroclear with the Common Code number of 025145968. The International Securities Identification Number (ISIN) for the Notes is FR0010318386. The address of Euroclear France is 155 rue de Réaumur, 75081 Paris Cedex 02, France and the address of Clearstream, Luxembourg is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg. The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Bruxelles, Belgium.
- 2 Application has been made for the Notes to be admitted to the official list and traded on the Regulated Market of the Luxembourg Stock Exchange.
- 3 The issue of the Notes was authorised pursuant to a resolution of the *Directoire* (Executive Board) of the Issuer adopted on 12 October 2005 and a decision of Antoine Lissowski, member of the *Directoire* (Executive Board) of the Issuer, dated 7 April 2006.
- 4 There has been no significant change in the financial or trading position of the Issuer since 31 December 2005 and no material adverse change in the financial position or prospects of the Issuer since 31 December 2005.
- 5 The Issuer is not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have or have had in the recent past significant effects, in the context of the issue of the Notes, on the financial position or profitability of the Issuer.
- 6 There are no material contracts entered into otherwise than in the ordinary course of the Issuer's business, which could result in any member of the Issuer's group (meaning the Issuer and its subsidiaries taken as a whole) 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.
- 7 To the Issuer's knowledge, there are no potential conflicts of interest between the private interests and/or other duties of members of the *Directoire* (Executive Board) and *Conseil de surveillance* (Supervisory Board) of the Issuer and the duties they owe to the Issuer.
- 8 For so long as any of the Notes are outstanding, copies of the following documents may be obtained, free of charge, and may be consulted during normal business hours at the office of each Paying Agent (both in Paris and in Luxembourg) and the documents referred to in (iii) and (iv) below may also be consulted online on the website of the Issuer ([www.cnp.fr](http://www.cnp.fr)) :
  - (i) this Prospectus;
  - (ii) the *statuts* of the Issuer;
  - (iii) the two latest annual reports of the Issuer for the two years ended 31 December 2004 and 2005;

- (iv) the audited consolidated annual accounts of the Issuer for the two years ended 31 December 2004 and 2005;
- (v) any publication by the Issuer subsequent to the date of this Prospectus of an annual report, audited or unaudited annual or semi-annual financial statements.

The Prospectus and all documents incorporated by reference in this Prospectus will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

- 9 The Issuer has obtained all necessary consents, approvals and authorisations in the Republic of France in connection with the issue and performance of the Notes.
- 10 The statutory auditors of the Issuer are KPMG, 1 cours Valmy, 92923 Paris La Défense and Mazars & Guérard, Le Vinci, 4 allée de l'Arche, 92075 La Défense Cedex (both entities regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorized as *Commissaires aux Comptes*); they both belong to the *Compagnie Nationale des Commissaires aux Comptes*. They have audited and rendered unqualified audit reports on the consolidated financial statements of the Issuer for each of the financial years ended 31 December 2004 and 2005.
- 11 The estimate of the total expenses of the issue of the Notes related to the admission to trading is €11,800.
- 12 The yield of the Notes for the Fixed Rate Period is 5.25 per cent. per annum and is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
- 13 To the knowledge of the Issuer, securities of the same class of the Notes are already admitted to trading on the regulated market of the Luxembourg Stock Exchange, Euronext Paris S.A., Euronext Brussels S.A./N.V. and Euronext Amsterdam N.V.
- 14 No credit rating has been assigned to the Notes.

## **REGISTERED OFFICE OF THE ISSUER**

**CNP Assurances**  
4, place Raoul-Dautry  
75716 Paris Cedex 15  
France  
Phone number : 00 33 1 42 18 88 88

## **MANAGER**

**IXIS Corporate & Investment Bank**  
47, quai d'Austerlitz  
75648 Paris Cedex 13  
France

## **FISCAL AGENT, PRINCIPAL PAYING AGENT, AGENT BANK AND LUXEMBOURG LISTING AGENT**

**Fortis Banque Luxembourg SA**  
50, avenue John Fitzgerald Kennedy  
L-2951 Luxembourg  
Grand Duchy of Luxembourg

## **PARIS PAYING AGENT**

**CACEIS Corporate Trust**  
14, rue Rouget de Lisle  
92862 Issy-les-Moulineaux Cedex 9  
France

## **AUDITORS OF THE ISSUER**

**KPMG Audit**  
1 cours Valmy  
92923 Paris La Défense  
France

**Mazars & Guérard**  
Le Vinci  
4 allée de l'Arche  
92075 La Défense Cedex  
France

## **LEGAL ADVISERS**

*To the Issuer as to French law*

**Gide Loyrette Nouel**  
26 Cours Albert 1<sup>er</sup>  
75008 Paris  
France

*To the Manager as to French law*

**Linklaters**  
25 rue de Marignan  
75008 Paris  
France