

DEBT ISSUANCE PROGRAMME PROSPECTUS

Dated 5th May, 2006

This document constitutes a base prospectus of Société Générale Effekten GmbH (acting in its own name but for the account of Société Générale) in respect of non-equity securities pursuant to Art. 22 para. (6) no. (4) of the Commission Regulation (EC) No. 809/2004 of 29th April, 2004 (the “**Regulation**”) (the “**Debt Issuance Programme Prospectus**”).



SOCIÉTÉ GÉNÉRALE EFFEKTEN GMBH

(incorporated with limited liability under the laws of the Federal Republic of Germany)

as Issuer

(acting in its own name but for the account of Société Générale)

and

SOCIÉTÉ GÉNÉRALE

(incorporated with limited liability under the laws of France)

as Guarantor

Debt Issuance Programme for the Issue of Notes

Under this Debt Issuance Programme (the “**Programme**”), Société Générale Effekten GmbH (the “**Issuer**”), acting in its own name but for the account of Société Générale, may from time to time issue Notes (the “**Notes**”) denominated in any currency agreed by the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s), as specified in the relevant Final Terms, in an undetermined aggregate principal amount. The principal amount of the Notes, the interest payable in respect of the Notes, if any, the issue prices and maturities of the Notes and all other terms and conditions not contained herein which are applicable to a particular Tranche of Notes (as defined in “*Terms and Conditions of the Notes*”), including the aggregate principal amount of such Tranche of Notes, will be set out in the applicable Final Terms.

Payments and/or physical delivery of any securities or assets in respect of Notes will be unconditionally and irrevocably guaranteed by Société Générale (in such capacity, the “**Guarantor**”).

Application has been made to list the Notes to be issued under the Programme on the Official Market and the Regulated Market of the Frankfurt Stock Exchange. The Programme provides, however, that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s), as specified in the relevant Final Terms. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market, as specified in the relevant Final Terms.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and are subject to certain requirements under U.S. tax law. Apart from certain exceptions, the Notes may not be offered, sold or delivered within the United States of America. (see “*Selling Restrictions*”).

ARRANGER
Société Générale

DEALER
Société Générale

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DOCUMENTS INCORPORATED BY REFERENCE

The following documents which are available at the office of Société Générale, Frankfurt branch, Mainzer Landstraße 36, 60325 Frankfurt am Main, Germany, and which have been published on the following website: <http://www.socgen.prospectus.com> have been approved by the *Bundesanstalt für Finanzdienstleistungsaufsicht* (BaFin) or filed with it and are incorporated by reference into, and form part of, this Debt Issuance Programme Prospectus:

- Registration Document pursuant to section 12 (1) *Wertpapierprospektgesetz* (Securities Prospectus Act) in connection with Art. 7 and Annex IV of the Commission Regulation (EC) No. 809/2004 of 29th April, 2004 of Société Générale Effekten GmbH dated 14th March, 2006 (the **“Registration Document dated 14th March, 2006 of the Issuer”**);
- Registration Document pursuant to section 12 (1) *Wertpapierprospektgesetz* (Securities Prospectus Act) in connection with Art. 14 and Annex XI of the Commission Regulation (EC) No. 809/2004 of 29th April, 2004 of Société Générale dated 7th April, 2006 (the **“Registration Document dated 7th April, 2006 of the Guarantor”**).

Comparative table of documents incorporated by reference

Page	Section	Pages of document incorporated by reference
118	Information on the Net Assets, Financial Position and Results of Operations of the Issuer	Pages 10 - 25 and 28 – 52 of the Registration Document dated 14th March, 2006 of the Issuer
120 – 121	Organisational Structure	Pages 28, 29 and 244 - 251 of the Registration Document dated 7th April, 2006 of the Guarantor
121	Share Capital	Pages 23 – 25 and 252 - 255 of the Registration Document dated 7th April, 2006 of the Guarantor
124	Business Overview	Pages 14, 15; 30 – 56 and 222 - 224 of the Registration Document dated 7th April, 2006 of the Guarantor
127	Administration and Management of Société Générale	Pages 58 – 77 of the Registration Document dated 7th April, 2006 of the Guarantor
128	Financial information concerning Société Générale	Pages 138 - 378 of the Registration Document dated 7th April, 2006 of the Guarantor
129	Litigation	Pages 130 -132 of the Registration Document dated 7th April, 2006 of the Guarantor

SUMMARY OF THE PROSPECTUS

The following summary (the “**Summary**”) must be read as an introduction to this Debt Issuance Programme Prospectus (hereinafter also “**Prospectus**”). This summary is qualified in its entirety by, and is subject to, information contained elsewhere in this Prospectus and the documents incorporated by reference and any supplement thereto. Therefore, any decision to invest in the Notes should not only be based on this summary but on a consideration of the Prospectus as a whole, including the documents incorporated by reference as well as the applicable Final Terms and any supplement to the Prospectus, if applicable, which are published in connection with the issuance of the Notes. The Issuer shall not be liable for the content of this summary, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to the information contained in this Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.

Summary with regard to the Issuer

The Issuer has its registered office in Frankfurt am Main and is entered in the commercial register of the local court of Frankfurt under no. HRB 32283. It came into existence after LT Industriebeteiligungs-Gesellschaft mbH, which was founded on 3rd March 1977, was renamed by resolution of the shareholders’ meeting on 5th October 1990. The Issuer was founded as a limited liability company (Gesellschaft mit beschränkter Haftung, GmbH) under German law.

The business address and telephone number of the Issuer are: Société Générale Effekten GmbH, Mainzer Landstraße 36, 60325 Frankfurt am Main, telephone number is +49 (0)69 71 74 0.

The business purpose of the Issuer, as stipulated in Art. 2 of its articles of incorporation, is the issue and sale of securities as well as related activities, with the exception of those requiring a license. The Issuer does not engage in banking business as defined by the German Banking Act (*Kreditwesengesetz*, KWG). The Issuer is a financial entity as defined in Sec. 1 (3) Sentence 1 No. 5 KWG.

The Issuer is engaged in the issue and placement of securities, mainly warrants, as well as related activities. The securities are primarily issued on the German market, one of the most important derivatives markets. The securities may also be sold publicly in certain other EU member states.

The Issuer is a wholly owned subsidiary of Société Générale, Paris. Société Générale group (the "Group") is one of the largest banking groups in the world. The Group conducts all major banking business, such as retail banking, corporate banking, capital market business and leasing. Société Générale, the parent company of the Group, is listed on the Paris Stock Exchange.

The fully paid-in capital stock of the Issuer amounts to EUR 25,564.59. All shares in the Issuer are held by Société Générale, Paris.

The Issuer’s auditor is Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Eschersheimer Landstrasse 14, 60322 Frankfurt am Main. The financial statements of the Issuer for the last two financial years have been audited by Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Eschersheimer Landstraße 14, 60322 Frankfurt am Main, and an unqualified audit opinion was issued thereon.

Summary of Selected Financial Information of the Issuer

The following selected financial information of Société Générale Effekten GmbH has been derived from the annual financial statements of Société Générale Effekten GmbH for the financial years ended 31st December, 2003 and 2004 in accordance with German accounting principles.

Information on Results of Operations

	2004 EUR k	2003 EUR k	+/- EUR k	%
Income from the sale of warrants	7,375,988	6,807,766	568,222	8
Expenses from the purchase of options	-7,375,988	-6,807,766	-568,222	8
Total operating performance	0	0	0	0
Other operating expenses	-844	-667	-177	27
Other operating income	885	708	177	25
Operating result	41	41	0	0
Financial result	4	2	2	100
Earnings before tax	45	43	2	5
Income taxes	-14	-31	17	-55
Net income for the year	31	12	19	158

Composition of Assets, Equity and Liabilities

	2004		2003		+/-
	EUR k	%	EUR k	%	EUR k
Assets					
Long-term receivables (in trust)	25,000	99	500,000	98	-475,000
Short-term receivables	294	1	11,894	2	-11,600
Cash and cash equivalents	0	0	85	0	-85
	<u>25,294</u>	<u>100</u>	<u>511,979</u>	<u>100</u>	<u>-486,685</u>
Equity and liabilities					
Equity	117	0	86	0	31
Long-term liabilities (in trust)	25,000	99	500,000	98	-475,000
Short-term liabilities	177	1	11,893	2	-11,716
	<u>25,294</u>	<u>100</u>	<u>511,979</u>	<u>100</u>	<u>-486,685</u>

Summary with regard to the Guarantor

Société Générale is a limited liability corporation (*société anonyme*) established under French law and has the status of a bank. Société Générale was incorporated by deed approved by the Decree of 4th May, 1864. The duration of Société Générale, previously fixed at 50 years with effect from 1st January, 1899, was then extended by 99 years with effect from 1st January, 1949.

Under the legislative and regulatory provisions relating to credit institutions, notably the relevant articles of the Monetary and Financial Code, Société Générale is subject to the commercial laws, and in particular Articles L. 210-1 et seq. of the French Commercial Code, as well as current by-laws.

Société Générale is registered in the *Registre du commerce* (Commercial Register) under no 552 120 222 R.C.S. Paris, and has its registered office at 29, boulevard Haussmann, Paris, 75009.

The purpose of Société Générale is, under the conditions determined by the laws and regulations applicable to credit institutions, to carry out with individuals or corporate entities, in France or abroad:

- all banking transactions;
- all banking-related transactions, including, in particular, investment services or related services or as listed in Articles L. 321-1 and L. 321-2 of the French Monetary and Financial Code;
- all acquisitions of interests in other companies.

Société Générale may also engage on a regular basis in transactions other than those listed above, including in particular insurance brokerage, under the conditions set by the *Comité de la réglementation bancaire et financière* (French Banking and Financial Regulation Committee).

Generally, Société Générale may carry out, on its own behalf, on behalf of third parties or jointly, all financial, commercial, industrial or agricultural personalty or realty transactions, directly or indirectly related to the above-mentioned activities or likely to facilitate the accomplishment of such activities.

At December 31, 2005, Société Générale's paid-up common stock (as recorded on January 11, 2006) amounted to EUR 542,860,226.25 and comprised 434,288,181 shares with a nominal value of EUR 1.25 per share, all eligible for dividends paid out of income earned from January 1, 2005. If all vested stock options were to be exercised, 1,744,816 shares would be issued, representing a maximum potential dilution of 0.40%. The Group's common stock would then amount to EUR 545,041,246.30, divided into 436,032,997 shares.

The auditors of Société Générale are Ernst & Young Audit represented by Mr Christian Mouillon, 11, allée de l'Arche, 92400 Courbevoie, France and Deloitte & Associés (formerly named Deloitte Touche Tohmatsu) represented by Mr José Luis Garcia, 185 avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, France, who have audited Société Générale's accounts, without qualification, in accordance with generally accepted auditing standards in France, for each of the two financial years ended 31st December, 2004 and 31st December, 2005 and, for the financial years ended 31st December, 2004 and 31st December, 2005, in accordance with IFRS (except for IAS 32 and IAS 39 and IFRS 4 which were applied only as from 1st January, 2005).

Société Générale Group is one of the leading financial services group in the euro zone, operating in 76 countries and employing over 103,000 staff from 114 different nationalities. The Group boasts a solid financial structure, with a tier one capital ratio of 7.6% at December 31, 2005, and strong financial ratings: AA- with a positive outlook (Standard & Poor's), Aa2 (Moody's) and AA- (Fitch). The Société Générale Group is structured into three core businesses, Retail Banking and Financial Services, Global Investment Management and Services and Corporate and Investment Banking.

(i) *Retail Banking and Financial Services*

Retail Banking and Financial Services comprises all activities with individual customers, self-employed professionals and small and medium sized enterprises. At December 31, 2005, the division provided a comprehensive range of financial and banking services to a total of 19 million individuals and several hundred thousand businesses throughout the world.

(ii) *Global Investment Management and Services*

Global Investment Management and Services incorporates the Group's asset management business (for both institutional and corporate investors), private banking, securities custody, brokerage and clearing on all organized markets and online savings.

(iii) *Corporate and Investment Banking*

Société Générale Corporate and Investment Banking groups together all capital market and financing activities for corporate clients, financial institutions and institutional investors in Europe, the Americas and Asia-Pacific. Combining innovation with strong execution capabilities, Société Générale Corporate & Investment Banking develops high value-added financial solutions in its three key areas of expertise: derivatives, euro capital markets and structured finance. Société Générale Corporate and Investment Banking employs close to 9,600 staff in 45 countries.

Summary of Selected Financial Information of the Guarantor

The following selected consolidated financial information of Société Générale has been derived from the annual consolidated financial statements of Société Générale for the financial years ended 31st December, 2004 and 2005 in accordance with IFRS.

	2005	2004	Change	
	<i>In millions of euros</i>			
Net banking income	19,170	16,390	+17.0%	+14.8%*
Operating expenses	(12,156)	(11,062)	+9.9%	+7.9%*
Gross operating income	7,014	5,328	+31.6%	+29.1%*
Net allocation to provisions	(448)	(568)	-21.1%	-40.1%*
Operating income	6,566	4,760	+37.9%	+37.3%*
Net income of companies accounted for by the equity method	19	40	-52.5%	
Net income on other assets	158	195	-19.0%	
Impairment losses on goodwill	(23)	4	NM	
Income tax	(1,795)	(1,376)	+30.5%	
Net income before minority interests	4,925	3,623	+35.9%	
Minority interests	(479)	(342)	+40.1%	
Net income	4,446	3,281	+35.5%	+36.4%*
C/I ratio	63.4%	67.5%		
Average allocated capital	17,474	16,324	+7.0%	
ROE after tax	25.3%	20.1%		

* When adjusted for changes in Group structure and at constant exchange rates
 2004: IFRS (excluding IAS 32 & 39 and IFRS 4)
 2005: IFRS (including IAS 32 & 39 and IFRS 4)

Summary of Risk Factors

The purchase of the Notes issued under the Programme is associated with the principal risks summarized below. Investors should take into account their current financial situation and their investment objectives before deciding whether to invest in the Notes. In this context, investors should take into consideration the risks of an investment in the Notes as well as the other information contained in this Prospectus, any supplements and in the applicable Final Terms. Additional specific risks based on the nature of a particular Tranche of Notes issued from time to time under the Programme may be set out in the respective Final Terms, which in such case must be in the form of a prospectus supplement pursuant to § 16 Securities Prospectus Act and which must therefore always be included in the assessment of risks. Most of the following risks are contingencies which may or may not occur and neither the Issuer nor the Guarantor is in a position to express a view on the likelihood of any such contingency occurring.

However, if one or more of the risks described below occur, this may result in material and sustained decreases in the price of the Notes or, in the worst case, in a total loss of the capital invested by the Investor.

Risk Factors relating to the Issuer and the Guarantor and the Trust Structure

Issue of the Notes by the Issuer on the account of the Guarantor and Limited Recourse.

Due to the fact that the Issuer issues the Notes on a fiduciary basis on the account of the Guarantor, the Noteholders directly depend on the credit risk of the Guarantor rather than that of the issuer. Any payment obligations of the Issuer under the Notes are therefore limited to the funds received from the Guarantor under the Trust Agreement. To the extent the funds to be received from the Guarantor under the Trust Agreement

prove ultimately insufficient to satisfy the claims of all Noteholders in full, then any shortfall arising therefrom will be extinguished and no Noteholder has any further claims against the Issuer (subject, however, to the right to exercise any termination or early redemption rights). This applies irrespective of whether the Issuer would be able to make such payments out of other funds available to it.

With regard to the Guarantee, which constitutes a general and unsecured contractual obligation of the Guarantor and no other person, any payments on the notes are also dependent on the creditworthiness of the Guarantor.

Risk associated with the lack of independence of the Issuer and Guarantor

As Société Générale as Guarantor is also the provider of hedging Instruments to the Issuer, investors will be exposed to operational risks arising from the lack of independence of the Guarantor in assuming its duties and obligations as the Guarantor and provider of hedging instruments.

Conflict of interest

The Issuer and the Guarantor and any of their subsidiaries and affiliates, in connection with their other business activities, may possess or acquire material information about the underlying assets. Such activities and information may cause consequences adverse to Noteholders.

Hedging and trading activity

In connection with the offering of the Notes, the Issuer, the Guarantor and/or their affiliates may enter into one or more hedging transactions with respect to the Reference Asset or related derivatives, which may affect the market price, liquidity or value of the Notes.

Creditworthiness of the Guarantor

The Guarantor issues and guarantees a large number of financial instruments, including the Notes, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If investors purchase the Notes, they are relying upon the creditworthiness of the Guarantor and no other person, including any issuer of underlying assets or securities. Even if the credit rating of the issuers of underlying securities or the value of underlying assets or indices does not change, a downgrading in the credit rating of the Guarantor may have a materially adverse effect on the market price of the Notes.

Risk Factors relating to the Notes

Modifications of the Terms and Conditions of the Notes by decision of a meeting of Noteholders

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who have not attended or voted in such meetings of Noteholders.

Notes subject to optional redemption by the Issuer

Such an optional redemption feature is likely to limit their market value. Furthermore regarding the possibility of an optional redemption by the Issuer potential investors should consider reinvestment risk in light of other investments available at that time.

Structured Notes and Dual Currency Notes

Payments (whether in respect of principal and/or interest and whether at maturity or otherwise) on Structured Notes (as defined below) are calculated by reference to certain underlyings, the return of the Notes is based on changes in the value of the underlying, which may fluctuate. Potential investors should be aware that these Notes may be volatile and that they may receive no interest and may lose all or a substantial portion of their principal.

A holder of Dual Currency Notes is exposed to the risk of changes in currency exchange rates which, if such changes result in losses, may affect the yield of the Notes.

Partly-paid Notes and Variable rate Notes with a leverage factor

Failure to pay any subsequent instalment in respect of partly-paid Notes could result in an investor losing all of his investment. Notes with variable interest rates can be volatile investments. This volatility may be further enhanced if they are structured to include leverage factors.

Inverse Floating Rate Notes

Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes (subject to election of the Issuer)

The Issuer's ability to convert interest rate may affect the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing.

Notes issued at a substantial discount or premium

The market value of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest bearing securities.

Notes linked to certain events

Notes may be linked to the occurrence or not of certain events which are not connected with the Issuer or the Guarantor, such as weather or sports events. The occurrence of such events will in most cases depend entirely on chance and will not be influenceable and such events may not occur at all.

Risk Factors relating to Structured Notes the redemption amount of which is linked to the performance of one or more fund units

An investment in Notes that are linked fund units involves all the risks related to such underlying funds. General risks related to funds include:

- the performance of the underlying funds is essentially depending on the skill of the respective fund manager;
- the Issuer and the Guarantor have no influence on the investment activity or the performance of the underlying funds;
- the value of funds will change with the value of their respective underlying investments;
- fund managers' investments are not verified or assured by the Issuer or the Guarantor or any of its affiliates and fund managers do not have any obligations vis-a-vis the Noteholders and do not consider their interests;
- the value of funds is subject to additional investments in, or withdrawals of amounts previously invested in, the funds;
- fees and other expenses that apply regardless of the performance of the funds will reduce the value of the fund units and accordingly the final redemption amount payable to the Noteholders;
- the offering of the Notes does not constitute a recommendation by the Issuer or Société Générale and/or any of its affiliates with respect to an investment linked to such underlying Funds.

If the Notes are linked to the performance of one or more funds that are hedge funds, an investment in the Notes may, in addition to the general risks of funds described above, involve additional risks typical to hedge funds due to their speculative nature. Potential investors should be aware that:

- hedge funds (including those that are managed by managers affiliated with Société Générale) do not disclose information on their investments and/or the details of their investment techniques;
- hedge funds involve various investment strategies each of which may involve high risks; in addition, hedge funds generally use technical devices a failure or blackout of which may result in significant losses or a non-realisation of investment opportunities;
- there are generally no restrictions regarding the investment instruments or the counterparties in which a hedge fund may invest and such instruments or counterparties may therefore include highly speculative and risky investments;
- hedge funds' performances may be highly volatile;
- the use of leverage and short sales may increase the risk of loss in the value of the hedge fund units;
- in addition to fixed management fees, performance fees are common to hedge funds and such fees may create an incentive to make investments that are riskier or more speculative than would be the case in the absence of such fees; soft-dollar commissions may induce portfolio managers to effect transactions with a person even if it does not offer the lowest transaction fees;
- hedge funds, including the underlying funds, are generally not subject to the same regulatory regime as mutual funds or securities. Consequently, investors in hedge funds will not benefit from protections provided by such laws or regulations.

The Issuer, in order to hedge its obligations under the Notes, may enter into a hedging transaction with Société Générale or one of its affiliates who in turn will hedge itself by investing in units of the underlying funds. Investors should be aware that, as a result of hedging decisions by the hedging counterparty, transfers into or out of the fund by the hedging counterparty may affect the value of the fund units and, in turn, the Final Redemption Amount of the Notes.

Risk Factors relating to Structured Notes based on indices

The payment of income (such as dividends for an index that has stocks as underlyings) may not be reflected as the index may be calculated by reference to the prices of underlyings comprising the index without taking into consideration the value of any income paid on those underlying assets.

If the index comprises underlying stocks, the trading prices of the stocks underlying the index will be influenced by political, economical, financial, market and other factors.

Risk Factors specific to Structured Notes based on shares

A holder of the Notes will not be a beneficial owner of the underlying shares and therefore will not be entitled to receive any dividends or similar amounts paid on the underlying shares.

The Calculation Agent may make adjustments to elements of the Notes as described in the Technical Annex. The Calculation Agent is not required to make an adjustment for every corporate event that may affect the underlying shares.

Market and other Risks

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does not develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at

prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Exchange rate risks

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than the Specified Currency, in particular if exchange rates change significantly.

Any decline in the credit rating of the Guarantor may affect the market value of the Notes

The credit rating of the Guarantor is an assessment of its ability to pay its obligations, including those in connection with the Notes. Consequently, actual or anticipated declines in the credit ratings of the Guarantor may affect the market value of the relevant Notes.

Summary of the Offering and the Notes

Reasons for the Offering

Under the Programme, the Issuer, acting in its own name but for the account of the Guarantor, will from time to time issue fixed and floating rate Notes instalment Notes, zero coupon Notes, partly paid Notes, dual currency Notes, physical delivery Notes, as well as Notes whose interest rate and/or redemption amount is determined or calculated by reference to an index and/or a formula based on or referring to changes in the prices of certain underlyings comprising shares in companies, any other equity or non-equity securities, currencies or currency exchange rates, interest rates, credit risks, fund units, shares in investment companies, term deposits, life insurance contracts, loans, commodities or futures contracts on the same or any other instrument(s) or asset(s) or the occurrence or not of events not linked to the Issuer or the Guarantor or any other factor or factors or a combination of any of the foregoing, as indicated in the applicable Final Terms (collectively "**Structured Notes**"), each in bearer form and governed by German law (collectively, "**Notes**"), to the Dealer and any additional Dealer/Purchaser appointed under the Programme by the Issuer and the Guarantor from time to time. The maximum aggregate principal amount of the Notes outstanding under the Programme is undetermined and not limited. The aggregate principal amount of each Tranche of Notes under the Programme, as agreed between the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s), will be set out in the applicable Final Terms.

Payments and/or physical delivery of any securities or assets in respect of Notes will be unconditionally and irrevocably guaranteed by the Guarantor.

Offering Statistics and Estimated Timetable

During the duration of this Prospectus, the Issuer will continuously issue notes within the framework of this Programme. The terms and conditions as well as the timeframe for each issue of Notes will be set forth in the applicable Final Terms within the meaning of Art. 26 No. 5 of the Commission Regulation (EC) No. 809/2004 dated 29th April, 2004.

Use of Proceeds

Pursuant to a Trust Agreement dated 28th February, 2006 the Issuer is obliged to collect any proceeds resulting from the issuance of the Notes and to deliver such proceeds forthwith to the Guarantor. The net proceeds of each issuance of Notes will be applied by the Guarantor for general financing purposes of the Société Générale group in accordance with the Guarantor's corporate objects according to its Articles of Association.

Details Regarding the Programme

Capitalised Terms have the same meaning as defined in "*Terms and Conditions of the Notes*".

Issuer	Société Générale Effekten GmbH (acting in its own name but for the account of Société Générale)
Guarantor	Société Générale
Description	Programme for the issue of non-equity securities governed by German law. Under the Programme, the Issuer may issue Notes in the form of (including any combination of) fixed or floating rate Notes, instalment Notes, zero coupon Notes, partly paid Notes, dual currency Notes, physical delivery Notes, as well as Structured Notes. Each Note will be issued on an unsubordinated basis only.
Arranger	Société Générale
Dealer(s)	The Notes will be distributed through Dealer(s) pursuant to underwriting agreements or on the basis of bilateral agreements with or without the involvement of Dealers/Purchasers. The following bank(s) may act as Dealer(s): Société Générale and any other Dealers/Purchasers appointed in accordance with the Dealer Agreement in relation to the Programme as a whole or in relation to one or more Tranches.
Agent	Société Générale
Calculation Agent	The applicable Final Terms relating to each Tranche of Notes may specify a Calculation Agent for certain types of Notes, in particular Structured Notes.
Paying Agent	Société Générale, Frankfurt Branch, or any additional or successor paying agent appointed under the Terms and Conditions.
Programme Size	Undetermined. The aggregate principal amount of each Tranche of Notes under the Programme, as agreed between the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s), will be set out in the applicable Final Terms in accordance with the provisions of the Dealer Agreement and the German Securities Prospectus Act.
Offer	The Issuer may offer Notes to the public pursuant to underwriting agreements or bilateral agreements or place Notes privately with or without an applicable subscription period and in each case on a syndicated or non-syndicated basis. The details relating to each offer will be set out in the relevant Final Terms.
Issue Currencies	Euros or such other currency as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s) as indicated in the applicable Final Terms and subject to compliance with any applicable laws and exchange control regulations.
Maturities	The maturity of each Tranche of Notes will be specified in the applicable Final Terms subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations

applicable to the Issuer or the Guarantor or the relevant Specified Currency. The Issuer may also issue Notes without a determined maturity (open end notes).

Issue Price

Notes may be issued on a fully-paid or a partly-paid basis and at an issue price (expressed either (i) as a percentage or (ii) as an amount per Note of the relevant Specified Denomination) which is at par or at a discount to, or premium over, par (as specified in the applicable Final Terms).

Form of Notes

The Notes will be issued in bearer form only and will on issue be represented by a temporary global Note which will be exchangeable for interests in a permanent global Note.

Interest in the case of Fixed Rate Notes

Fixed interest will be payable on such date or dates as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s) (as indicated in the applicable Final Terms) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s) as indicated in the applicable Final Terms.

Partly Paid Notes

The Issuer may issue Notes which are not fully paid up at the time of their issue and which provide for the remaining principal amount to be paid up in one or more instalments at one or more predetermined dates (Partly Paid Notes). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Issuer may forfeit such Notes and shall have no further obligation to such Noteholder in respect of them.

Interest in the case of Floating Rate Notes

Floating Rate Notes will bear interest at a rate determined (i) on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service or (ii) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement evidenced by a confirmation incorporating the 2000 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series) or (iii) on such other basis as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s) (as indicated in the applicable Final Terms).

The margin (if any) relating to such floating rate will be agreed between the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s) for each issue of Floating Rate Notes and specified in the applicable Final Terms.

Payments in the case of Structured Notes

Payments (whether in respect of principal and/or interest and whether at maturity or otherwise) in respect of Structured Notes will be calculated by reference to such index and/or formula or to changes in the prices of certain underlyings. Such underlyings comprise shares in companies, any other equity or non-equity securities, currencies or currency exchange rates, interest rates, credit risks, fund units, shares in investment companies, term deposits, life insurance contracts, loans, commodities or futures contracts on the same or any other instrument(s) or asset(s) or the occurrence or not of certain events not linked to the Issuer or the Guarantor or any other factor(s) as the

Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s) may agree and as indicated in the applicable Final Terms.

Dual Currency Notes

Payments (whether in respect of principal and/or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currency or currencies, and based on such rate or rates of exchange, as the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s) may agree (as indicated in the applicable Final Terms).

Physical Delivery Notes

Payments (whether in respect of principal and/or interest and whether at maturity or otherwise) in respect of Physical Delivery Notes and any delivery of any Underlying in respect of Physical Delivery Notes will be made in accordance with the terms of the applicable Final Terms.

Zero Coupon Notes

Zero Coupon Notes will not bear interest (other than in the case of late payment).

Instalment Notes

Payments (whether in respect of principal and/or interest) in respect of Instalment Notes will be made at certain instalment dates in certain instalment amounts (each as indicated in the applicable Final Terms).

Other Notes

Notes may be of any other type. The terms governing any such notes will be specified in the applicable Final Terms.

Redemption

The applicable Final Terms relating to each Tranche of Notes will indicate either that the Notes cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, for Tax Reasons or following an Event of Default) or that such Notes (if Physical Delivery Notes) may be settled at maturity or otherwise by receipt by the holder(s) of a cash amount and/or by delivery of the relevant Underlying or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving an irrevocable notice (subject to a notice period (if any) as is indicated in the applicable Final Terms) to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as may be agreed between the Issuer, the Guarantor and Dealer(s)/Purchaser(s) as indicated in the applicable Final Terms.

The redemption of Structured Notes may be subject to certain special restrictions and procedures, as set out in the applicable Final Terms.

In the case of Structured Notes linked to a certain reference asset, investors may receive less than their amount invested or, in extreme cases, suffer a total loss of their amount invested in such Notes. In certain circumstances, the degree in which a change in the reference asset affects the Structured Note may be limited. The specific relation between the relevant reference asset and the Structured Notes as well as a potential limitation of the effect on the Structured Note will be specified in the relevant Final Terms.

Denomination of Notes

Notes will be issued in such denominations as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s) as indicated in the applicable Final Terms.

Taxation	All payments of principal and interest will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Federal Republic of Germany or France (as the case may be) or any political subdivision or any authority of the Federal Republic of Germany or France (as the case may be) that has power to tax. If such withholding or deduction is required by law, the Issuer or the Guarantor (as the case may be) will – subject to the exemptions set out in the Terms and Conditions– pay such additional amounts as a Noteholder would have received if no such withholding or deduction had been required.
Negative Pledge	The terms and conditions of the Notes will contain a negative pledge provision with regard to the Guarantor.
Status of the Notes	The Notes constitute direct, unconditional and (subject to the Guarantee) unsecured and unsubordinated limited recourse obligations of the Issuer and will rank <i>pari passu</i> without any preference among themselves and (save for certain obligations required to be preferred by law) <i>pari passu</i> with all other direct, unconditional, unsecured and unsubordinated obligations of the Issuer.
Guarantee	The due and punctual payment of any amounts due and payable and/or the due and punctual physical delivery of securities or assets deliverable under or in respect of the Notes will be unconditionally and irrevocably guaranteed by the Guarantor.
Rating	The rating (if any) of the Notes to be issued under the Programme will be specified in the applicable Final Terms.
Listing	Application has been made to list the Notes to be issued under the Programme on the Official Market and the Regulated Market of the Frankfurt Stock Exchange. The Programme provides, however, that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s), as specified in the relevant Final Terms. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market, as specified in the relevant Final Terms.
Terms and Conditions of the Notes	The Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s) will agree on the terms and conditions applicable to each particular Tranche of Notes. The terms and conditions of the Notes will be constituted by the “Terms and Conditions of the Notes” which comprise the “Basic Terms” (Part A) and the “Technical Annex” (Part B), as completed, modified, supplemented or replaced by the provisions of the applicable Final Terms. If the relevant Final Terms specify that consolidated Terms and Conditions shall apply to the Notes such consolidated Terms and Conditions will be attached to the relevant Final Terms and will replace the “Terms and Conditions of the Notes” as set out in this Prospectus.
Governing Law	The Notes will be governed by, and construed in accordance with, German law. The Guarantee will be governed by, and construed in accordance with, French law.

Selling Restrictions

Each issue of Notes will be made in accordance with the laws, regulations and legal decrees and any restrictions applicable in the relevant jurisdiction.

Any offer and sale of Notes is subject to the selling restrictions in particular in the member states to the Agreement on the European Economic Area (EEA), in the United States, the United Kingdom and other jurisdictions in connection with the offering and sale of a particular issue of Notes. Further restrictions applicable to any issue of Notes may be set out in the relevant Final Terms and must be observed, irrespective of the description in the Final Terms.

United States Selling Restrictions

Regulation S, Category 2, TEFRA C or D, as specified in the applicable Final Terms.

Clearing System

The Notes of a Tranche or Series (unless stated otherwise in the applicable Final Terms) will be represented by a Global Note, which will be held in custody by or on behalf of Clearstream Banking AG, Frankfurt or a depositary common to Clearstream, Luxembourg and Euroclear until all obligations of the Issuer under the Notes have been satisfied. Notes may be held through additional or alternative clearing systems (including, without limitation, Clearstream, Luxembourg and Euroclear, Euroclear France or SIS SEGAINTERSETTLE AG) in which case the appropriate information will be contained in the applicable Final Terms. The appropriate Common Code and ISIN for each Tranche of Notes will be contained in the applicable Final Terms.

ZUSAMMENFASSUNG DES PROSPEKTS

Die nachfolgende Zusammenfassung (die „**Zusammenfassung**“) ist als Einführung zu diesem Prospekt für ein Angebotsprogramm von Schuldverschreibungen (nachfolgend auch „**Prospekt**“) zu verstehen. Diese Zusammenfassung ist im Zusammenhang mit den an anderer Stelle in diesem Prospekt enthaltenen Informationen und den durch Verweis einbezogenen Dokumenten sowie sämtlichen Nachträgen hierzu zu lesen und insoweit begrenzt. Daher sollte jede Anlageentscheidung im Hinblick auf die Schuldverschreibungen nicht allein auf dieser Zusammenfassung beruhen, sondern auf einer Gesamtbetrachtung des Prospektes nebst den durch Verweis einbezogenen Dokumenten sowie den endgültigen Bedingungen und etwaigen Nachträgen zum Prospekt, die im Zusammenhang mit der Emission von Schuldverschreibungen veröffentlicht werden.

Die Emittentin haftet nicht für den Inhalt dieser Zusammenfassung, es sei denn die Zusammenfassung ist irreführend, unrichtig oder widersprüchlich, wenn sie im Zusammenhang mit dem Prospekt gelesen wird. Jeder Anleger sollte sich darüber bewusst sein, dass für den Fall, dass er vor einem Gericht Ansprüche auf Grund der in diesem Prospekt enthaltenen Informationen geltend macht, er in Anwendung einzelstaatlicher Vorschriften die Kosten für die Übersetzung des Prospektes vor Prozeßbeginn zu tragen haben könnte.

Zusammenfassung in Bezug auf die Emittentin

Die Emittentin hat ihren Sitz in Frankfurt am Main und ist eingetragen im Handelsregister des Amtsgerichts Frankfurt unter HRB 32283. Sie ist entstanden mit Gesellschafterbeschuß vom 5. Oktober 1990 durch Umfirmierung der am 3. März 1977 gegründeten LT Industriebeteiligungs-Gesellschaft mbH. Die Emittentin wurde als Gesellschaft mit beschränkter Haftung (GmbH) nach deutschem Recht gegründet.

Die Geschäftsadresse und Telefonnummer der Emittentin ist: Société Générale Effekten GmbH, Mainzer Landstraße 36, 60325 Frankfurt am Main, Telefonnummer + 49 (0)69 71 74 0.

Der Unternehmensgegenstand der Emittentin ist gemäß § 2 ihrer Satzung die Begebung und der Verkauf von Wertpapieren sowie damit zusammenhängende Tätigkeiten, mit Ausnahme erlaubnispflichtiger Tätigkeiten. Bankgeschäfte im Sinne des Kreditwesengesetzes (KWG) gehören nicht zum Unternehmensgegenstand. Die Emittentin ist ein Finanzunternehmen im Sinne von § 1 Abs. 3 Satz 1 Nr. 5 KWG.

Die Geschäftstätigkeit der Emittentin umfasst die Emission und Platzierung von Wertpapieren, überwiegend Optionsscheinen, und damit zusammenhängende Tätigkeiten. Die Begebung von Wertpapieren durch die Emittentin erfolgt vornehmlich auf dem deutschen Markt, einem der wichtigsten Märkte für derivative Finanzprodukte. Die Wertpapiere können auch in bestimmten anderen EU-Mitgliedstaaten öffentlich angeboten werden.

Die Emittentin ist eine 100%ige Tochtergesellschaft der Société Générale, Paris. Der Société Générale-Konzern (der “Konzern”) stellt einen der größten Bankenkonzerne der Welt dar. Die Geschäftstätigkeit des Konzerns umfasst alle wesentlichen Bereiche des Bankgeschäfts, wie Privatkundengeschäft, Firmenkundengeschäft, Kapitalmarktgeschäft und Leasing. Die Konzernmutter Société Générale ist an der Pariser Börse notiert.

Das voll eingezahlte Stammkapital der Emittentin beträgt EUR 25.564,59. Alle Anteile der Emittentin werden von der Société Générale, Paris gehalten.

Abschlussprüfer der Emittentin ist die Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Eschersheimer Landstraße 14, 60322 Frankfurt am Main. Für die vergangenen zwei Jahre wurden die Abschlüsse der Emittentin durch die Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Eschersheimer Landstraße 14, 60322 Frankfurt am Main, nach HGB geprüft und mit einem uneingeschränkten Bestätigungsvermerk versehen.

Zusammenfassung ausgewählter Finanzangaben betreffend die Emittentin

Die nachfolgenden ausgewählten Finanzdaten der Société Générale wurden den Jahresabschlüssen der Société Générale Effekten GmbH für die Geschäftsjahre zum 31. Dezember 2003 und 2004 nach HGB entnommen.

Ausgewählte Informationen aus der Gewinn- und Verlustrechnung

	2004 TEUR	2003 TEUR	+/- TEUR	%
Erträge aus dem Verkauf von Optionsscheinen	7.375.988	6.807.766	568.222	8
Aufwendungen aus dem Erwerb von Optionen	-7.375.988	-6.807.766	-568.222	8
Betriebsleistung	0	0	0	0
Sonstige betriebliche Erträge	-844	-667	-177	27
Sonstige betriebliche Aufwendungen	885	708	177	25
Betriebsergebnis	41	41	0	0
Finanzergebnis	4	2	2	100
Ergebnis vor Steuern	45	43	2	5
Ertragsteuern	-14	-31	17	-55
Jahresergebnis	31	12	19	158

Ausgewählte Informationen aus der Bilanz

	2004		2003		+/-
	TEUR	%	TEUR	%	TEUR
Vermögen					
Langfristige Forderungen (Treuhand)	25.000	99	500.000	98	-475.000
Kurzfristige Forderungen	294	1	11.894	2	-11.600
Flüssige Mittel	0	0	85	0	-85
	<u>25.294</u>	<u>100</u>	<u>511.979</u>	<u>100</u>	<u>-486.685</u>
Kapital					
Eigenkapital	117	0	86	0	31
Langfristige Verbindlichkeiten (Treuhand)	25.000	99	500.000	98	-475.000
Kurzfristige Verbindlichkeiten	177	1	11.893	2	-11.716
	<u>25.294</u>	<u>100</u>	<u>511.979</u>	<u>100</u>	<u>-486.685</u>

Zusammenfassung in Bezug auf die Garantin

Die Société Générale ist eine Kapitalgesellschaft mit beschränkter Haftung (*société anonyme*) nach französischem Recht und hat den Status einer Bank. Die Société Générale wurde mit Urkunde genehmigt durch Dekret vom 4. Mai 1864 gegründet. Die Dauer der Gesellschaft wurde zunächst festgelegt auf 50 Jahre ab dem 1. Januar 1899 und dann um weitere 99 Jahre ab dem 1. Januar 1949 verlängert. Nach den gesetzlichen und regulatorischen Bestimmungen für Kreditinstitute, insbesondere den entsprechenden Artikeln des französischen Währungs- und Finanzgesetzes (*Code Monétaire et Financière*) unterliegt die Société Générale den Wirtschaftsgesetzen und insbesondere den Artikeln L. 210-1 ff. des Französischen Handelsgesetzbuches und der jeweiligen Satzung.

Die Société Générale ist im Registre du commerce (Handelsregister) unter der Nummer 552 120 222 R.C.S. Paris eingetragen. Die Geschäftsadresse der Société Générale ist: Boulevard Haussmann 29, 75009 Paris.

Nach Maßgabe der für Kreditinstitute geltenden Gesetze und Vorschriften ist Geschäftszweck der Société Générale:

- das Betreiben von sämtlichen Bankgeschäften;
- die Durchführung von sämtlichen Transaktionen im Zusammenhang mit Bankgeschäften, insbesondere Dienstleistungen im Zusammenhang mit Kapitalanlagen und damit verbundene Dienstleistungen im Sinne der Artikel L. 321-1 und L. 321-2 des französischen Währungs- und Finanzgesetzes;
- der Erwerb von Beteiligungen an anderen Unternehmen;

jeweils mit natürlichen oder juristischen Personen, in Frankreich oder im Ausland.

Die Société Générale kann regelmäßig auch an anderen als den vorgenannten Transaktionen beteiligt sein, insbesondere im Versicherungsvermittlungsgeschäft nach Maßgabe der Bestimmungen des französischen Ausschusses für die Regulierung des Bank- und Finanzwesens (*Comité de la réglementation bancaire et financière*).

Grundsätzlich kann die Société Générale im eigenen Namen, im Namen von Dritten oder mit diesen gemeinsam alle finanz-, handels-, gewerblichen- oder landwirtschaftlichen Geschäfte bezogen auf das bewegliche Vermögen oder Grundbesitz durchführen, die direkt oder indirekt mit den zuvor genannten Aktivitäten in Zusammenhang stehen oder ihrer Durchführung dienen.

Zum 31. Dezember 2005 (gemäß Eintragungsdaten vom 11. Januar 2006) betrug das Grundkapital der Société Générale EUR 542.860.226,25 und war eingeteilt in 434.288.181 Aktien mit einem Nominalwert von EUR 1,25 pro Aktie. Jede Aktie berechtigt zum Bezug von Dividenden aus Erträgen von 01. Januar 2005 an. Sofern alle zum 31. Dezember 2005 bestehenden Aktienoptionen ausgeübt werden würden, würden weitere 1.744.816 Aktien ausgegeben werden, was eine Verwässerung des Aktienkapitals von maximal 0,40% darstellen würde. Das Stammkapital würde dann EUR 545.041.246,30 betragen, eingeteilt in 436.032.997 Aktien.

Abschlußprüfer der Société Générale sind die Ernst & Young Wirtschaftsprüfungsgesellschaft, vertreten durch Herrn Christian Mouillon, 11, allée de l'Arche, 92400 Courbevoie, Frankreich und Deloitte & Associés (früher Deloitte Touche Tohmatsu), vertreten durch Herrn José Luis Garcia, 185 avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, Frankreich. Die Abschlußprüfer haben die Jahresabschlüsse der Société Générale für die beiden Geschäftsjahre endend zum 31. Dezember 2004 und zum 31. Dezember 2005 in Übereinstimmung mit allgemein anerkannten Prüfungsstandards in Frankreich und in Übereinstimmung mit IFRS (mit Ausnahme von IAS 32 und IAS 39 und IFRS 4, welche erst vom 1. Januar 2005 Anwendung fanden) geprüft und jeweils mit einem uneingeschränkten Bestätigungsvermerk versehen.

Die Société Générale-Gruppe ist einer der führenden Konzerne im Bereich Bankdienstleistungen in der Euro Zone, der in 76 Ländern mit über 103.000 Angestellten aus 114 verschiedenen Nationalitäten agiert. Die Gruppe hat eine solide finanzielle Struktur mit einem erstklassigen Marktanteil von 7,6% zum 31. Dezember 2005 und guten Finanzratings: AA- mit positivem Ausblick (Standard & Poor's), Aa2 (Moody's), und AA- (Fitch). Die Société Générale-Gruppe ist in drei Hauptgeschäftsbereiche aufgeteilt: Retail Banking und Financial Services, Global Investment Management und Services und Corporate und Investment Banking.

(i) Retail Banking and Financial Services

Der Bereich Retail Banking und Financial Services betrifft alle Aktivitäten im Zusammenhang mit individuellen Kunden, selbstständigen Erwerbstätigen und kleineren bis mittleren Unternehmen. Zum 31. Dezember 2005 stellte der Bereich ein breites Angebot an Finanz- und Bankdienstleistungen insgesamt 19 Mio. Privatkunden und einigen hunderttausend Unternehmen weltweit zur Verfügung.

(ii) Global Investment Management and Services

Der Bereich Global Investment Management und Services umfasst die Vermögensverwaltung der Gruppe (sowohl für institutionelle- als auch Unternehmensinvestoren), das Privatkundengeschäft, die Effektenverwaltung, das Maklergeschäft und das Clearing aller organisierter Märkte und Online-Sparen.

(iii) Corporate und Investment Banking

Der Bereich Corporate und Investment Banking umfasst alle Aktivitäten auf dem Kapitalmarkt und der Finanzierung für Firmenkunden, Kreditinstitute, Finanzinvestoren in Europa, Amerika und dem asiatisch-pazifischen Raum. Mit der Kombination aus Innovation und einer starken Handelsplattform entwickelt Société Générale Corporate und Investment Banking Finanzlösungen in ihren drei Haupt- Kompetenzgebieten: Derivate, europäischer Kapitalmarkt und strukturierte Finanzierung.

Zusammenfassung ausgewählter Finanzangaben betreffend die Garantin

Die nachfolgenden ausgewählten Finanzdaten der Société Générale wurden den Konzernabschlüssen der Société Générale für die Geschäftsjahre zum 31. Dezember 2004 und 2005 nach IFRS entnommen.

	2005	2004	Änderung	
			<i>In Euro Mio.</i>	
Nettoergebnis aus Bankgeschäften	19.170	16.390	+17,0%	+14,8%*
Betriebsaufwand	(12.156)	(11.062)	+9,9%	+7,9%*
Brutto-Betriebsergebnis	7.014	5.328	+31,6%	+29,1%*
Zuführung (netto) in Rückstellungen	(448)	(568)	-21,1%	-40,1%*
Betriebsergebnis	6.566	4.760	+37,9%	+37,3%*
Nettoergebnis von Gesellschaften, die nach der Equity Methode einbezogen wurden	19	40	-52,5%	
Nettoergebnis aus sonstigen Vermögensgegenständen	158	195	-19,0%	
Abschreibungen auf den Goodwill	(23)	4	NM	
Ertragsteuern	(1.795)	(1.376)	+30,5%	
Nettoergebnis vor Minderheitsbeteiligungen	4.925	3.623	+35,9%	
Minderheitsbeteiligungen	(479)	(342)	+40,1%	
Nettoergebnis	4.446	3.281	+35,5%	+36,4%*
C/I Rate	63,4%	67,5%		
Durchschnittliches zugeteiltes Kapital	17.474	16.324	+7,0%	
ROE nach Steuern	25,3%	20,1%		

* Nach Anpassung im Hinblick auf Änderungen im Konsolidierungskreis und auf der Grundlage konstanter Wechselkurse
2004: IFRS (ohne IAS 32 & 39 und IFRS 4)
2005: IFRS (einschließlich IAS 32 & 39 und IFRS 4)

Zusammenfassung der Risikofaktoren

Der Erwerb von Schuldverschreibungen, die im Rahmen dieses Programmes begeben werden, ist mit den nachfolgend dargestellten wesentlichen Risiken verbunden. Anleger sollten ihre gegenwärtige finanzielle Situation und ihr Anlageziel überprüfen, bevor sie sich für eine Anlage in die Schuldverschreibungen entscheiden. In diesem Zusammenhang sollten Anleger die Risiken sowie die sonstigen im Prospekt, in möglichen Nachträgen und in den maßgeblichen endgültigen Bedingungen enthaltenen Informationen berücksichtigen. Zusätzliche besondere Risiken, die auf der Natur einer bestimmten Tranche von Schuldverschreibungen beruhen, die von Zeit zu Zeit unter diesem Programm begeben werden, können in den jeweiligen endgültigen Bedingungen enthalten sein, die in einem solchen Fall in Form eines Nachtrags gemäß § 16 Wertpapierprospektgesetz erfolgen müssen. Diese Risiken müssen bei der Risikoabwägung stets mit

einbezogen werden. Viele der nachfolgend dargestellten Risiken stellen lediglich Eventualitäten dar, die eintreten können, aber auch nicht eintreten können. Weder die Emittentin noch die Garantin sind in der Lage, die Wahrscheinlichkeit eines Eintritts vorauszusagen.

Das Eintreten eines oder mehrerer der unten beschriebenen Risiken kann zu einem erheblichen und nachhaltigen Verlust des Wertes der Schuldverschreibungen führen - bis hin zu einem Totalverlust des angelegten Kapitals.

Mit der Emittentin, der Garantin und der Treuhandkonstruktion verbundene Risiken

Emission der Schuldverschreibungen durch die Emittentin auf Rechnung der Garantin; Treuhandverhältnis.

Da die Emittentin die Schuldverschreibungen treuhänderisch auf Rechnung der Garantin begibt, sind die Schuldverschreibungsinhaber unmittelbar abhängig vom Kreditrisiko der Garantin, und nicht vom Kreditrisiko der Emittentin. Jede Zahlungsverpflichtung der Emittentin unter diesen Schuldverschreibungen ist begrenzt auf die finanziellen Mittel, die von der Garantin aufgrund des Treuhandvertrags gewährt werden. Sollten die finanziellen Mittel, die von der Garantin unter dem Treuhandvertrag zu zahlen sind, nicht ausreichen, um die Ansprüche aller Schuldverschreibungsinhaber in vollem Umfang zu erfüllen, so führt dies zum Erlöschen etwaiger aus dem Zahlungsverzug resultierender Ansprüche (auflösender Bedingung) und kein Schuldverschreibungsinhaber hat weitere Ansprüche gegen die Emittentin (dies gilt vorbehaltlich des Rechts des Schuldverschreibungsinhaber auf Kündigung oder vorzeitige Rückzahlung). Dies gilt unabhängig davon, ob die Emittentin in der Lage wäre, die Zahlungen aus anderen finanziellen Mitteln zu leisten.

Auch hinsichtlich der Garantie, die eine generelle ungesicherte vertragliche Verpflichtung ausschließlich der Garantin begründet, sind Zahlungen auf die Schuldverschreibungen von der Bonität der Garantin abhängig.

Risiken, verbunden sind mit der fehlenden Unabhängigkeit von Emittentin und Garantin

Da die Société Générale neben ihrer Funktion als Garantin der Emittentin gleichzeitig auch Hedging Instrumente zur Verfügung stellt, sind die Anleger dem operativen Risiko ausgesetzt, das sich aus der fehlenden Unabhängigkeit der Garantin in der Erfüllung ihrer Verpflichtungen als Garantin und als zur Hedging Provider ergibt.

Interessenkonflikt

Die Emittentin, die Garantin und ihre verbundenen Unternehmen können im Zusammenhang mit anderen Geschäftstätigkeiten über wesentliche Informationen über einen Basiswert verfügen oder diese erhalten. Derartige Geschäftsaktivitäten und Informationen können nachteilige Konsequenzen für den Inhaber der Schuldverschreibung zur Folge haben.

Hedging und Handelsaktivitäten

Im Zusammenhang mit dem Angebot der Schuldverschreibungen können die Emittentin, die Garantin und ihre verbundenen Unternehmen Hedging-Transaktionen in Bezug auf einen Basiswert oder zugehörige Derivate eingehen, welche den Marktpreis, die Liquidität oder den Wert der Schuldverschreibungen beeinträchtigen können.

Kreditwürdigkeit der Garantin

Die Garantin begibt und garantiert weltweit eine große Anzahl von Finanzinstrumenten, einschließlich Schuldverschreibungen. Der Umfang der ausstehenden Finanzinstrumente kann jederzeit erheblich sein. Wenn Anleger Schuldverschreibungen erwerben, vertrauen sie ausschließlich auf die Kreditwürdigkeit der Garantin und nicht auf die Kreditwürdigkeit einer anderen Person, einschließlich des Emittenten zugrundeliegender Vermögenswerte oder Wertpapiere. Selbst wenn sich die Bonität von Emittenten zugrundeliegender Wertpapiere oder der Wert zugrundeliegender Vermögensgegenstände oder Indizes nicht ändert, kann eine

Verringerung der Bonität der Garantin den Börsenkurs der Schuldverschreibungen wesentlich negativ beeinflussen.

Mit den Schuldverschreibungen verbundene Risiken

Änderungen der Schuldverschreibungsbedingungen durch Entscheidung einer Versammlung der Schuldverschreibungsinhaber

Die Schuldverschreibungsbedingungen enthalten Bestimmungen zur Einberufung von Versammlungen der Schuldverschreibungsinhaber, um Angelegenheiten zu erörtern, die ihre Interessen im Allgemeinen berühren. Diese Bestimmungen erlauben es bestimmten Mehrheiten, alle Schuldverschreibungsinhaber zu verpflichten, einschließlich derjenigen Schuldverschreibungsinhaber, die an diesen Versammlungen nicht teilgenommen oder in ihnen nicht abgestimmt haben.

Schuldverschreibungen, die eine Rückzahlung nach Wahl der Emittentin vorsehen.

Wenn die Schuldverschreibungen ein Recht zur Rückzahlung nach Wahl der Emittentin vorsehen, kann dies den Marktwert solcher Schuldverschreibungen einschränken. Potentielle Anleger sollten zudem das Risiko der Möglichkeit einer Wiederanlage in andere zum Zeitpunkt einer vorzeitigen Kündigung zur Verfügung stehende Anlagemöglichkeiten berücksichtigen.

Strukturierte Schuldverschreibungen und Doppelwährungs-Schuldverschreibungen

Zahlungen (sei es im Hinblick auf den Nennbetrag oder Zinsen, entweder bei Fälligkeit oder zu einem anderen Zeitpunkt) auf strukturierte Schuldverschreibungen (wie unten definiert) errechnen sich nach bestimmten Basiswerten. Der Ertrag dieser Schuldverschreibungen basiert auf der Veränderung des Basiswertes, welcher steigen und fallen kann. Mögliche Investoren sollten beachten, dass der Marktpreis solcher Schuldverschreibungen volatil sein kann, sie möglicherweise keine Zinsen erhalten und sie möglicherweise den gesamten Kapitalbetrag oder einen wesentlichen Teil des Kapitalbetrages verlieren können.

Inhaber von Doppelwährungs-Schuldverschreibungen sind dem Risiko von Schwankungen der Umtauschkurse ausgesetzt, welche den Ertrag der Schuldverschreibungen beeinflussen können, wenn Währungsverluste eintreten.

Teileingezahlte Schuldverschreibungen und Schuldverschreibungen mit variabler Vinzinsung mit Hebel-Faktor

Sofern eine auf die Schuldverschreibungen zu zahlende Nennbetragsrate nicht gezahlt wird, könnte dies zur Folge haben, dass der Anleger seine gesamte Anlage verliert. Schuldverschreibungen mit variabler Verzinsung können volatile Anlagen sein. Die Volatilität kann noch erhöht sein, sofern die Schuldverschreibungen so strukturiert sind, dass sie Hebel-Faktoren enthalten.

Invers-variabel verzinsliche Schuldverschreibungen

Invers-variabel verzinsliche Schuldverschreibungen sind besonders volatil, da eine Erhöhung des Referenzsatzes nicht nur den Zinssatz der Schuldverschreibungen verringert, sondern darüber hinaus aus einer Erhöhung der aktuellen Marktzinssätze folgen kann, wodurch sich der Marktwert dieser Schuldverschreibungen im Verhältnis weiter verringert.

Festverzinslich /variabel verzinsliche Schuldverschreibungen (nach Wahl der Emittentin)

Die Möglichkeit der Emittentin zur Umwandlung des Zinssatzes kann den Marktwert der Schuldverschreibungen beeinflussen, da zu erwarten ist, dass die Emittentin den Zinssatz dann umwandeln wird, wenn sie hierdurch wahrscheinlich die Gesamt-Refinanzierungskosten verringern kann.

Schuldverschreibungen, die mit einem wesentlichen Abschlag oder Aufschlag ausgegeben werden.

Die Kurse von Schuldverschreibungen, die mit einem wesentlichen Abschlag oder Aufschlag ausgegeben werden, neigen dazu, im Hinblick auf die allgemeinen Veränderungen der Zinssätze stärker zu schwanken als die Kurse konventioneller verzinslicher Wertpapiere.

Schuldverschreibungen bezogen auf bestimmte Ereignisse

Schuldverschreibungen können auf den Eintritt bestimmter Ereignisse bezogen sein, die unabhängig von der Emittentin bzw. der Garantin sind, wie z. B. Wetter- oder Sportereignisse. Der Eintritt solcher Ereignisse wird in den meisten Fällen ausschließlich auf dem Zufall beruhen und nicht beeinflussbar sein und solche Ereignisse können auch gänzlich ausbleiben.

Risiken im Hinblick auf Strukturierte Schuldverschreibungen, deren Rückzahlungsbetrag an einen oder mehrere Fondsanteil(e) geknüpft ist

Eine Anlage in Schuldverschreibungen, die sich auf Fondsanteile beziehen, beinhaltet auch alle Risiken der zugrunde liegenden Fonds. Allgemeine Risiken bezogen auf Fonds beinhalten:

- die Performance des zugrunde liegenden Fonds hängt im wesentlichen von den Fähigkeiten des jeweiligen Fondsmanagers ab;
- die Emittentin und die Garantin haben keinen Einfluß auf die Investitionstätigkeit oder die Performance der zugrunde liegenden Fonds;
- der Wert der Fonds verändert sich mit dem Wert ihrer jeweils zugrunde liegenden Anlagen;
- die Investmententscheidungen der Fondsmanager werden durch die Emittentin oder die Garantin oder ihre verbundenen Unternehmen nicht überprüft oder gewährleistet; die Fondsmanager unterliegen keinerlei Verpflichtungen gegenüber den Schuldverschreibungsinhabern und berücksichtigen nicht deren Interessen;
- der Wert der Fonds hängt von weiteren Kapitalzuflüssen in die Fonds oder von Entnahmen von Kapital, das zuvor in die Fonds investiert wurde, ab;
- Gebühren und andere Kosten, die ungeachtet der Performance des Fonds anfallen, verringern den Wert der Fondsanteile und dementsprechend auch den Rückzahlungsbetrag, der an die Schuldverschreibungsinhaber zu zahlen ist;
- das Angebot der Schuldverschreibungen stellt keine Anlageempfehlung der Emittentin oder der Société Générale oder ihrer verbundenen Unternehmen für eine Anlage in einen der zugrunde liegenden Fonds dar.

Sofern sich die Schuldverschreibungen auf die Performance eines oder mehrerer Hedge Fonds beziehen, kann eine Anlage in die Schuldverschreibungen, zusätzlich zu den generellen Risiken von Fonds, wie oben beschrieben, weitere zusätzliche typische Risiken von Hedge Fonds aufgrund ihres spekulativen Charakters enthalten. Potentielle Anleger sollten sich bewusst sein, dass:

- Hedge Fonds (einschließlich solcher Fonds, die durch Manager, die mit der Société Générale verbunden sind, gemanagt werden) legen keine Informationen bezüglich ihrer Anlagen und/oder Details ihrer Anlagemethoden offen;
- Hedge Fonds beinhalten vielfältige Anlagestrategien, von denen jede große Risiken enthalten kann; darüber hinaus verwenden Hedge Fonds im Allgemeinen technische Systeme, deren Versagen oder Ausfall zu erheblichen Verlusten oder zu einer Nichtrealisierung von Anlagemöglichkeiten führen kann;

- generell bestehen keinerlei Beschränkungen hinsichtlich der Anlageinstrumente oder der Kontrahenden (*Counterparty*), in die ein Hedge Fonds investieren kann; aus diesem Grund können derartige Anlageinstrumente und Counterparties hoch spekulative und risikoreiche Anlagen umfassen;
- die Performance von Hedge Fonds kann sehr volatil sein;
- die Verwendung eines Hebels oder kurzfristige Verkäufe können das Risiko eines Verlustes des Wertes der Hedge Fonds Anteile erhöhen;
- zusätzlich zu festen Managementgebühren sind Performance-Gebühren bei Hedge Fonds üblich, die einen Anreiz schaffen können, in Anlagen zu investieren, die riskanter und spekulativer sind als solche, in die möglicherweise ohne die Existenz derartiger Gebühren angelegt werden würde; Vermittlungsprovisionen können Portfolio Manager dazu verleiten, Geschäfte mit einer Personen zu tätigen, selbst wenn diese nicht zu den niedrigsten Geschäftskonditionen anbietet;
- Hedge Fonds unterliegen nicht der gleichen Aufsicht wie Investmentfonds oder Wertpapiere; aus diesem Grund profitieren Anleger, die in Hedge Fonds investieren, nicht von Schutzmaßnahmen, die Gesetze und Verordnungen bezüglich Investmentfonds oder Wertpapieren vorsehen.

Um ihre Verpflichtungen aus den Schuldverschreibungen abzusichern, wird die Emittentin möglicherweise ein Absicherungsgeschäft mit der Société Générale oder einem ihrer verbundenen Unternehmen abschließen. Diese Gesellschaften können sich ihrerseits durch Anlage in Anteile der zu Grunde liegenden Fonds absichern. Anleger sollten beachten, dass auf Grund der Absicherungsentscheidungen des sich absichernden Kontrahenten solche Übertragungen, die von dem sich absichernden Kontrahenten in den Fonds hinein oder aus dem Fonds heraus erfolgen, den Wert der Fondsanteile sowie den endgültigen Rückzahlungsbetrag der Schuldverschreibungen beeinflussen können.

Risikofaktoren im Hinblick auf Strukturierte Schuldverschreibungen, die auf Indizes basieren

Zahlungen von Einkünften (wie beispielsweise Dividenden bei einem Index, in dem Aktien als Basiswerte enthalten sind) werden möglicherweise nicht widerspiegelt, da der Index gegebenenfalls durch Bezugnahme auf die Kurse der in dem Index enthaltenen Basiswerte berechnet wird, während der Wert irgendwelcher auf die Basiswerte gezahlter Erträge keine Berücksichtigung findet.

Wenn der Index Aktien als Basiswerte umfasst, werden die Handelskurse der dem Index zu Grunde liegenden Aktien durch politische, wirtschaftliche, finanzielle Markt- und andere Faktoren beeinflusst.

Spezifische Risiken bei auf Aktien basierenden Strukturierten Schuldverschreibungen

Ein Inhaber der Schuldverschreibungen wird kein wirtschaftlicher Eigentümer der zu Grunde liegenden Aktien, und dementsprechend steht ihm kein Anspruch auf etwaige Dividenden oder vergleichbare, auf die zu Grunde liegenden Aktien gezahlte Beträge zu.

Die Berechnungsstelle kann bestimmte Elemente der Schuldverschreibungen anpassen, wie im Technischen Annex beschrieben. Die Berechnungsstelle ist jedoch nicht verpflichtet, bei jedem gesellschaftsrechtlichen Ereignis, welches die zugrunde liegenden Aktien beeinflussen könnte, eine solche Anpassung vorzunehmen.

Marktrisiken und sonstige Risiken

Der Sekundärmarkt allgemein

Für die Schuldverschreibungen besteht möglicherweise im Zeitpunkt ihrer Ausgabe kein Markt, und ein solcher Markt oder Handel entwickelt sich möglicherweise niemals. Wenn sich ein solcher Markt entwickelt, ist er möglicherweise nicht sehr liquide. Daher sind Anleger möglicherweise nicht in der Lage, ihre Schuldverschreibungen ohne weiteres zu verkaufen oder zu Preisen zu verkaufen, durch die sie eine Rendite erzielen, die mit Wertpapieren vergleichbar ist, für die ein entwickelter Sekundärmarkt besteht.

Wechselkursrisiken und Währungskontrollen

Der Emittentin zahlt Kapital und Zinsen auf die Schuldverschreibungen in der jeweils festgelegten Währung. Hieraus ergeben sich Risiken im Hinblick auf die Währungsumrechnung, wenn die finanziellen Aktivitäten eines Anlegers im Wesentlichen auf eine Währung oder Währungseinheit gerichtet sind, die nicht die jeweils festgelegte Währung der Schuldverschreibungen ist. Dies gilt insbesondere im Falle einer erheblichen Veränderung der Wechselkurse.

Eine Herabsetzung des Ratings der Garantin kann den Marktwert der Schuldverschreibungen beeinflussen

Die Bonitätseinstufung (Credit Rating) der Garantin ist eine Einschätzung dahingehend, ob sie in der Lage ist bzw. sein wird, ihre finanziellen Verpflichtungen zu erfüllen, einschließlich derjenigen in Verbindung mit den Schuldverschreibungen. Dementsprechend beeinflusst die tatsächliche oder zu erwartende Herabstufung des Credit Ratings der Garantin möglicherweise den Kurs der jeweiligen Schuldverschreibungen.

Zusammenfassung des Angebots und der Schuldverschreibungen

Gründe für das Angebot

Die Emittentin begibt unter dem Angebotsprogramm im eigenen Namen aber für Rechnung der Garantin fortlaufend festverzinsliche und variabel verzinsliche Schuldverschreibungen, Ratenzahlungs-Schuldverschreibungen, Nullkupon-Schuldverschreibungen, teileingezahlte Schuldverschreibungen, Doppelwährungs-Schuldverschreibungen, Schuldverschreibungen mit physischer Lieferung sowie Schuldverschreibungen, deren Verzinsung oder Rückzahlungsbetrag sich bestimmt oder errechnet durch Bezugnahme auf einen Index und/oder eine Formel, die wiederum auf Veränderungen in den Kursen oder Preisen von bestimmten Basiswerten beruht; Basiswerte umfassen Aktien, andere Dividenden- oder Nicht-Dividendenpapiere, Währungen oder Wechselkurse, Zinssätze, Kreditrisiken, Fondsanteile, Anteile an Investmentgesellschaften, Sichteinlagen von Banken, Lebensversicherungsverträge, Darlehen, Rohstoffe oder darauf bezogenen Future Kontrakte oder sonstige Instrumente oder Vermögenswerte oder der Eintritt oder Nichteintritt von Ereignissen, die nicht auf die Emittentin oder die Garantin bezogen sind, oder eine sonstiger Faktor oder eine Kombination der vorgenannten Basiswerte, wie in den maßgeblichen Endgültigen Bedingungen angegeben (zusammen "**Strukturierte Schuldverschreibungen**"), jeweils in Form einer Inhaberschuldverschreibung und jeweils dem Deutschen Recht unterliegend (zusammengefasst die "Schuldverschreibungen"). Die Schuldverschreibungen werden an den Dealer (Société Générale) oder an zusätzliche Dealer/Käufer, die unter dem Programm von der Emittentin und der Garantin benannt werden können, ausgegeben. Der unter diesem Programm ausstehende Gesamtnennbetrag der Schuldverschreibungen ist unbestimmt und nicht begrenzt. Der Gesamtnennbetrag einer jeweiligen Tranche von Schuldverschreibungen unter diesem Programm wird, wie zwischen der Emittentin, der Garantin und dem/den jeweiligen Dealer/n, Käufer/n vereinbart, in den maßgeblichen endgültigen Bedingungen festgelegt.

Zahlungen und/oder physische Lieferung von Wertpapieren oder Vermögensgegenständen hinsichtlich der Schuldverschreibungen werden durch die Garantin bedingungslos und unwiderruflich garantiert.

Angebotsstatistik und geschätzter Zeitplan

Die Emittentin wird während der Gültigkeit dieses Prospektes fortlaufend Schuldverschreibungen im Rahmen des Emissionsprogrammes begeben. Die Schuldverschreibungsbedingungen sowie der Zeitrahmen für jede Emission von Schuldverschreibungen werden in den maßgeblichen endgültigen Bedingungen entsprechend Art. 26 No. 5 der Verordnung (EG) No. 809/2004 vom 29. April 2004 festgelegt.

Verwendung der Emissionserlöse

Die Emittentin ist gemäß einem Treuhandvertrag vom 28. Februar 2006 verpflichtet, sämtliche Erlöse aus der Begebung der Schuldverschreibungen zu vereinnahmen und diese an die Garantin weiterzuleiten. Die Netto-Erlöse jeder Emission von Schuldverschreibungen werden von der Garantin für allgemeine

Finanzierungszwecke des Société Générale-Konzerns verwandt, jeweils in Übereinstimmung mit dem Gesellschaftszweck der Garantin, entsprechend dem Gesellschaftsvertrag.

Einzelheiten bezüglich des Programms

Großgeschriebene Begriffe haben dieselbe Bedeutung wie in den "Schuldverschreibungsbedingungen" definiert.

Emittentin	Société Générale Effekten GmbH (handelnd in eigenem Namen aber für Rechnung der Société Générale)
Garantin	Société Générale
Beschreibung	Angebotsprogramm für die Begebung von Nicht-Dividendenpapieren unter deutschem Recht. Die Emittentin kann unter diesem Programm Schuldverschreibungen in Form (einschließlich einer Kombination) von festverzinslichen oder variabel verzinslichen Schuldverschreibungen, Ratenzahlungs-Schuldverschreibungen, Nullkupon-Schuldverschreibungen, teileingezahlten Schuldverschreibungen, Doppelwährungs-Schuldverschreibungen, Schuldverschreibungen mit physischer Lieferung sowie Strukturierte Schuldverschreibungen begeben. Jede Schuldverschreibung wird ausschließlich auf nicht-nachrangiger Basis begeben.
Arranger	Société Générale
Dealer	Die Schuldverschreibungen werden auf der Basis von Konsortialübernahmeverträgen durch Dealer oder auf der Grundlage von bilateralen Vereinbarungen mit oder ohne Beteiligung von Dealer/n/Käufer/n vertrieben. Die folgende/n Bank/en kann/können als Dealer auftreten: Société Générale und jeder weitere Dealer/Käufer, der gemäß dem Dealer Agreement - für das Programm als Ganzes oder für einzelne oder mehrere Tranchen - benannt worden ist.
Agent	Société Générale
Berechnungsstelle	Die maßgeblichen endgültigen Bedingungen in Bezug auf eine Tranche von Schuldverschreibungen können eine Berechnungsstelle (<i>Calculation Agent</i>) für bestimmte Arten von Schuldverschreibungen, insbesondere Strukturierte Schuldverschreibungen, vorsehen.
Zahlstelle	Société Générale, Zweigstelle Frankfurt am Main, oder jede zusätzliche oder nachfolgende Zahlstelle, die in Übereinstimmung mit den Schuldverschreibungsbedingungen festgelegt wird.
Volumen des Programmes	Unbestimmt. Der Gesamtnennbetrag jeder Tranche von Schuldverschreibungen wird zwischen der Emittentin, der Garantin und dem/den jeweiligen Dealer/n/Käufer/n vereinbart und in den maßgeblichen endgültigen Bedingungen festgelegt; jeweils in Übereinstimmung mit den Vorschriften des Dealer-Agreement und dem Wertpapierprospektgesetz.
Angebot	Die Emittentin kann auf der Basis von Übernahmeverträgen oder auf der Grundlage von bilateralen Vereinbarungen Schuldverschreibungen öffentlich anbieten oder die Schuldverschreibungen privat platzieren; jeweils mit oder ohne

Zeichnungsfrist und jeweils auf syndizierter oder nicht syndizierter Basis. Die Einzelheiten des jeweiligen Angebots werden in den maßgeblichen endgültigen Bedingungen festgelegt.

Währungen

Euro oder jede andere Währung, die zwischen der Emittentin, der Garantin und dem/den maßgeblichen Dealer/n/Käufer/n jeweils in den maßgeblichen endgültigen Bedingungen in Übereinstimmung mit den jeweils anwendbaren gesetzlichen und devisenrechtlichen Bestimmungen festgelegt wird.

Laufzeiten

Die Laufzeit jeder Tranche der Schuldverschreibungen wird in den maßgeblichen endgültigen Bedingungen unter Berücksichtigung von Mindest- und Maximallaufzeiten, die von der maßgeblichen Zentralbank (oder einer entsprechenden Institution) oder nach den für die jeweils gewählte Währung oder die jeweilige Emittentin oder Garantin geltenden gesetzlichen Bestimmungen gestattet oder vorgeschrieben werden, festgelegt. Die Emittentin kann auch Schuldverschreibungen mit unbegrenzter Laufzeit begeben (Open End Schuldverschreibungen).

Ausgabe

Schuldverschreibungen werden entweder als voll oder teileingezahlte Schuldverschreibungen zu einem Emissionspreis ausgegeben (ausgedrückt entweder (i) als Prozentsatz oder (ii) als Betrag je Schuldverschreibung; (jeweils bezogen auf den Nennbetrag) welcher dem Nennbetrag entspricht oder einen Abschlag oder Zuschlag gegenüber dem Nennbetrag aufweist (wie in den maßgeblichen Endgültigen Bedingungen festgelegt).

Form der Schuldverschreibungen

Die Schuldverschreibungen sind Inhaberschuldverschreibungen und werden bei der Begebung durch eine vorläufige Globalurkunde verbrieft, die gegen Anteile an einer Dauerglobalurkunde ausgetauscht wird.

Verzinsung bei Schuldverschreibungen mit festem Zinssatz

Feste Zinsen werden an dem Termin bzw. den Terminen, die zwischen der Emittentin, der Garantin und dem/den maßgeblichen Dealer/n/Käufer/n vereinbart werden (wie in den maßgeblichen endgültigen Bedingungen festgelegt), sowie bei Rückzahlung fällig und werden auf Grundlage des zwischen der Emittentin, der Garantin und dem/den maßgeblichen Dealer/n/Käufer/n in den maßgeblichen Endgültigen Bedingungen vereinbarten Zinstagequotienten berechnet.

Teileingezahlte Schuldverschreibungen

Die Emittentin kann Schuldverschreibungen begeben, die zum Zeitpunkt ihrer Begebung nicht voll eingezahlt sind und deren Bedingungen vorsehen, dass der verbleibende einzuzahlende Nennbetrag in einer oder mehreren Raten, an einem oder mehreren vorher festgelegten Termin(en) eingezahlt wird (Teileingezahlte Schuldverschreibungen).

Verzinsung bei Schuldverschreibungen mit variabler Verzinsung

Schuldverschreibungen mit variabler Verzinsung werden mit einem Zinssatz verzinst, der entweder (i) auf Basis eines Referenzzinssatzes, der auf einer festgelegten Bildschirmseite eines kommerziellen Kursdienstes angezeigt wird, oder (ii) auf derselben Grundlage wie der variable Zinssatz einer fiktiven Zinssatzwaptransaktion in der entsprechenden Währung nach Maßgabe einer durch Abschlussbestätigung belegten Vereinbarung, die die "2000 ISDA-Definitionen" (wie von der International Derivatives Association, Inc. veröffentlicht und in der Fassung des ersten Emissionstages der ersten

Tranche von Schuldverschreibungen der jeweiligen Serie) einbezieht, oder (iii) auf einer anderen zwischen der Emittentin, der Garantin und dem/den maßgeblichen Dealer/n/Käufer/n vereinbarten Grundlage festgelegt wird (wie in den maßgeblichen Endgültigen Bedingungen angegeben).

Eine etwaige Zinsmarge im Hinblick auf den variablen Zinssatz wird ggf. für jede Emission von Schuldverschreibungen mit variablem Zinssatz zwischen der Emittentin, der Garantin und dem/den maßgeblichen Dealer/n/Käufer/n gesondert vereinbart und in den maßgeblichen endgültigen Bedingungen festgelegt.

Zahlungen auf Strukturierte Schuldverschreibungen

Zahlungen (sei es im Hinblick auf die Rückzahlung des Nennbetrages als auch im Hinblick auf Zinszahlungen, bei Fälligkeit oder zu einem anderen Zeitpunkt) auf Strukturierte Schuldverschreibungen berechnen sich auf der Grundlage eines Index und/oder einer Formel, die auf der Veränderungen des Preises eines bestimmten Basiswertes beruht. Basiswerte umfassen Aktien, sonstigen Dividenden- oder Nicht-Dividendenpapiere, Währungen oder Wechselkurse, Zinssätze, Kreditrisiken, Fondsanteile, Anteile an Investmentgesellschaften, Sichteinlagen von Banken, Lebensversicherungsverträge, Darlehen, Rohstoffe oder darauf bezogenen Future Kontrakte oder sonstige Instrumente oder Vermögensgegenstände oder der Eintritt oder Nichteintritt von Ereignissen, die nicht auf die Emittentin oder die Garantin bezogen sind, oder andere Faktoren oder eine Kombination der vorgenannten Basiswerte, die ggf. zwischen der Emittentin, der Garantin und der/n maßgeblichen Dealer/n bzw. Käufer/n vereinbart und in den maßgeblichen endgültigen Bedingungen festgelegt werden.

Doppelwährungs-Schuldverschreibungen

Zahlungen (sei es im Hinblick auf die Rückzahlung des Nennbetrages als auch im Hinblick auf Zinszahlungen, bei Fälligkeit oder zu einem anderen Zeitpunkt) betreffend Doppelwährungs-Schuldverschreibungen erfolgen in derjenigen Währung bzw. denjenigen Währungen und zu demjenigen Umrechnungskurs bzw. denjenigen Umrechnungskursen, die zwischen der Emittentin, der Garantin und dem/n maßgeblichen Dealer/n/Käufer/n vereinbart werden (wie in den maßgeblichen Endgültigen Bedingungen festgelegt).

Schuldverschreibungen mit physischer Lieferung

Zahlungen (sei es im Hinblick auf die Rückzahlung des Nennbetrages als auch im Hinblick auf Zinszahlungen, bei Fälligkeit oder zu einem anderen Zeitpunkt) und Lieferungen von zugrundeliegenden Vermögenswerten bei Schuldverschreibungen mit physischer Lieferung erfolgen nach Maßgabe der maßgeblichen endgültigen Bedingungen.

Nullkupon-Schuldverschreibungen

Nullkupon-Schuldverschreibungen werden nicht verzinst (es sei denn bei Zahlungsverzug).

Ratenzahlungs-Schuldverschreibungen

Zahlungen (sei es im Hinblick auf die Rückzahlung des Nennbetrages als auch im Hinblick auf Zinszahlungen) in Bezug auf Ratenzahlungs-Schuldverschreibungen sind an bestimmten Ratenzahlungsterminen mit einem bestimmten Ratenbetrag zu leisten (wie in den maßgeblichen endgültigen Bedingungen festgelegt).

Sonstige Schuldverschreibungen

Unter dem Programm können auch andere Arten von

Schuldverschreibungen begeben werden. Die Bedingungen, die diese Schuldverschreibungen regeln, werden in den maßgeblichen endgültigen Bedingungen festgelegt.

Rückzahlung

Die maßgeblichen Endgültigen Bedingungen jeder Tranche von Schuldverschreibungen können entweder bestimmen, dass die Schuldverschreibungen nicht vor dem festgelegten Laufzeitende zurückgezahlt werden (außer in ggf. festgelegten Teilzahlungen, aus steuerlichen Gründen („Tax Reasons“) oder im Falle des Verzuges (“Event of Default”)), oder dass die Schuldverschreibungen (soweit es sich um auf physische Lieferung gerichtete Schuldverschreibungen handelt) bei Fälligkeit oder zu einem anderen Zeitpunkt gegen Zahlung eines Geldbetrages an den/die Schuldverschreibungs Inhaber und/oder durch Lieferung des zugrundeliegenden Vermögenswertes zurückgezahlt werden, oder dass die Schuldverschreibungen nach Wahl der Emittentin und/oder der/des Schuldverschreibungs Inhaber(s) durch unwiderrufliche Kündigung (gemäß einer etwaigen Kündigungsfrist, wie in den maßgeblichen Endgültigen Bedingungen angegeben) gegenüber den Schuldverschreibungsinhabern bzw. der Emittentin zu einem bestimmten Termin vor dem Ende der festgelegten Laufzeit und zu einem bestimmten Preis und zu den Bedingungen, die zwischen der Emittentin, der Garantin und dem/n Dealer/n/Käufer/n vereinbart und in den Endgültigen Bedingungen angegeben werden, gekündigt werden können.

Die Rückzahlung Strukturierter Schuldverschreibungen kann dem Vorbehalt bestimmter spezieller Restriktionen und Verfahren unterliegen, wie in den maßgeblichen endgültigen Bedingungen festgelegt .

Im Falle von Strukturierten Schuldverschreibungen, die sich auf einen bestimmten Basiswert beziehen, können Anleger einen geringeren Betrag zurück erhalten als den von ihnen investierten Betrag oder in außergewöhnlichen Fällen sogar einen Totalverlust des von ihnen in die Schuldverschreibungen investierten Betrages erleiden. Unter gewissen Umständen können die Auswirkungen einer Schwankung des Basiswertes für die Strukturierte Schuldverschreibung eingeschränkt sein. Die Beziehung zwischen maßgeblichem Basiswert und Strukturierter Schuldverschreibung, wie auch die mögliche Begrenzung des Einflusses auf die Strukturierte Schuldverschreibung wird in den maßgeblichen endgültigen Bedingungen festgelegt.

Nennbetrag der Schuldverschreibungen

Schuldverschreibungen werden zu bestimmten Nennbeträgen ausgegeben, wie zwischen der Emittentin, der Garantin und dem/n maßgeblichen Dealer/n/Käufer/n vereinbart in den maßgeblichen Endgültigen Bedingungen festgelegt.

Besteuerung

Alle Zahlungen von Nominalbetrag oder Zinsen werden in vollem Umfang geleistet ohne Einbehalt oder Abzug irgendwelcher Steuern, Abgaben, Umlagen oder sonstiger staatlicher Abgaben, die durch die Bundesrepublik Deutschland oder bzw. die Republik Frankreich oder eine sonstige Körperschaft oder Behörde der Bundesrepublik Deutschland bzw. der Republik Frankreich, die das Recht hat, Steuern zu erheben, erhoben, veranlagt oder einbehalten werden. Sofern das Gesetz einen solchen Einbehalt oder Abzug vorschreibt, wird die Emittentin bzw. die Garantin, vorbehaltlich der in den

	Schuldverschreibungsbedingungen vorgesehenen Ausnahmen, derartige zusätzliche Beträge zahlen, damit dass die Schuldverschreibungs Inhaber so gestellt werden, als ob kein Einbehalt oder Abzug stattgefunden hätte.
Negativerklärung	Die Schuldverschreibungsbedingungen enthalten eine Negativerklärung der Garantin.
Status der Schuldverschreibungen	Die Schuldverschreibungen begründen direkte, unbedingte und (vorbehaltlich der Garantie) nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin mit begrenztem Rückgriffsanspruch, die untereinander und mit allen anderen direkten, unbedingten, nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin zumindest gleichrangig sind, sofern zwingende gesetzliche Bestimmungen nichts anderes vorschreiben.
Garantie	Die fällige und pünktliche Zahlung jedweder fälliger und zahlbarer Beträge bzw. die fällige und pünktliche physische Lieferung von Wertpapieren oder Vermögensgegenständen, die gemäß der Schuldverschreibungs-Bedingungen lieferbar sind, wird bedingungslos und unwiderruflich von der Garantin garantiert.
Rating	Sofern ein Rating für die unter dem Programm zu emittierenden Schuldverschreibungen besteht, wird dieses in den Endgültigen Bedingungen angegeben.
Notierung	Die Zulassung der Schuldverschreibungen, die unter diesem Programm emittiert werden, im amtlichen und geregelten Markt der Frankfurter Börse wurde beantragt. Das Programm sieht jedoch vor, dass die Schuldverschreibungen ggf. auch an einer anderen oder weiteren Börsen notiert oder zum Handel zugelassen werden können, die zwischen der Emittentin, der Garantin und dem/n maßgeblichen Dealer/n/Käufer/n vereinbart und in den maßgeblichen Endgültigen Bedingungen festgelegt werden. Die Emittentin kann auch, nicht börsennotierte Schuldverschreibungen bzw. Schuldverschreibungen zu keinem Handel an einem Markt zugelassen sind, begeben, falls dies in den maßgeblichen Endgültigen Bedingungen festgelegt wird.
Schuldverschreibungs-Bedingungen	Die Emittentin, die Garantin und der/die maßgeblichen Dealer/Käufer vereinbaren Schuldverschreibungsbedingungen, die für jede einzelne Tranche der Schuldverschreibungen maßgeblich sind. Die Schuldverschreibungsbedingungen ergeben sich aus den "Schuldverschreibungs-Bedingungen" (<i>Terms and Conditions of the Notes</i>), die die allgemeinen Bedingungen („ <i>Basis Terms</i> “) (Part A) und den technischen Anhang („ <i>Technical Annex</i> “) umfassen, jeweils finalisiert, verändert, ergänzt oder ersetzt durch die Regelungen der maßgeblichen Endgültigen Bedingungen. Sofern die maßgeblichen Endgültigen Bedingungen festlegen, dass konsolidierte Schuldverschreibungs-Bedingungen verwendet werden, dann werden diese konsolidierten Schuldverschreibungs Bedingungen den maßgeblichen Endgültigen Bedingungen angefügt und ersetzen die in diesem Prospekt enthaltenen Schuldverschreibungs-Bedingungen.
Anwendbares Recht	Die Schuldverschreibungen und ihre Auslegung unterliegen deutschem Recht. Die Garantie und ihre Auslegung unterliegt französischem Recht.

Verkaufsbeschränkungen

Jede Emission von Schuldverschreibungen erfolgt in Übereinstimmung mit den Gesetzen, Rechtsvorschriften, gerichtlichen Entscheidungen und sonstigen Beschränkungen, die in der jeweiligen Rechtsordnung gelten.

Jedes Angebot und jeder Verkauf von Schuldverschreibungen einer bestimmten Emission unterliegt Verkaufsbeschränkungen, insbesondere in den Mitgliedsstaaten des Abkommens über den Europäischen Wirtschaftsraum (European Economic Area (EEA)), den Vereinigten Staaten, dem Vereinigten Königreich und anderen Rechtsordnungen . Weitere Beschränkungen im Hinblick auf eine Emission von Schuldverschreibungen können in den maßgeblichen endgültigen Bedingungen festgelegt werden und müssen ungeachtet der Beschreibung in den endgültigen Bedingungen eingehalten werden.

Verkaufsbeschränkungen in den Vereinigten Staaten

Regulation S, Category 2. TEFRA C oder D, wie in den jeweils maßgeblichen endgültigen Bestimmungen angegeben.

Verbriefung und Verwehrung

Die Schuldverschreibungen einer Tranche oder Serie (es sei denn dies ist in den maßgeblichen Endgültigen Bedingungen anders festgelegt) sind für die Dauer ihrer Laufzeit in einer Sammelurkunde verbrieft, die bei oder im Namen der Clearstream Banking AG, Frankfurt oder einer Verwahrstelle/n entsprechend der Clearstream, Luxemburg und Euroclear verwahrt wird. Die Schuldverschreibungen können auch durch zusätzliche oder andere Verwahrstellen verwahrt werden (einschließlich Clearstream, Luxemburg und Euroclear, Euroclear Frankreich or SIS SEGAINTERSETTLE AG); in diesem Fall sind entsprechende Informationen in den maßgeblichen endgültigen Bedingungen enthalten. Der entsprechende Common Code und die ISIN für jede Tranche von Schuldverschreibungen sind in den maßgeblichen Endgültigen Bedingungen enthalten.

RISK FACTORS

The purchase of the Notes issued under the Programme is associated with certain risks. Investors should take into account their current financial situation and their investment objectives before deciding whether to invest in the Notes. In this context, investors should take into consideration the risks of an investment in the Notes set out below in particular, in addition to the other information contained in this Prospectus. Most of these risks are contingencies which may or may not occur and neither the Issuer nor the Guarantor is in a position to express a view on the likelihood of any such contingency occurring.

If one or more of the risks described below occur, this may result in material and sustained decreases in the price of the Notes or, in the worst case, in a total loss of the capital invested by the Investor.

The Issuer and the Guarantor believe that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme. However, additional specific risks based on the nature of a particular Tranche of Notes issued from time to time under the Programme may be set out in the respective Final Terms, which in such case must be in the form of a prospectus supplement pursuant to § 16 Securities Prospectus Act and which must therefore always be included in the assessment of risks. Prospective investors should also read the detailed information set out elsewhere in this Prospectus, any supplements and in the Final Terms and reach their own views prior to making any investment decision.

A. Risk Factors relating to the Issuer, the Guarantor and the Trust Structure

The following factors may affect the Issuer's and the Guarantor's ability to fulfil their respective obligations under the Notes and under the Guarantee and the Trust Agreement.

Issue of the Notes by the Issuer on the account of the Guarantor and Limited Recourse

The Issuer and the Guarantor have entered into a trust agreement (the “**Trust Agreement**”) pursuant to which the Issuer shall, inter alia, (i) issue and redeem the Notes on a fiduciary basis (treuhänderisch) in its own name but for the account of the Guarantor; (ii) collect any proceeds resulting from the issuance of the Notes and forward them to the Guarantor; and (iii) use only the funds made available to it by the Guarantor under the Trust Agreement (which funds shall equal the amount of any payments owed by the Issuer under the Notes as and when such payment obligations fall due and in a manner that allows the Issuer to fulfil its payment obligations in a timely manner) for payments owed under the Notes as and when they fall due and to make such payments on a fiduciary basis in its own name but for the account of the Guarantor. The Issuer's ability to satisfy its payment obligations under the Notes in full is therefore dependent upon it receiving in full the amounts payable to it by the Guarantor under the Trust Agreement.

Due to this trust structure, the Noteholders directly depend on the credit risk of the Guarantor (see “Creditworthiness of the Guarantor” below) rather than that of the Issuer. Any payment obligations of the Issuer under the Notes are limited to the funds received from the Guarantor under the Trust Agreement. To the extent the funds to be received from the Guarantor under the Trust Agreement prove ultimately insufficient to satisfy the claims of all Noteholders in full, then any shortfall arising therefrom will be extinguished and no Noteholder has any further claims against the Issuer (subject, however, to the right to exercise any termination or early redemption rights). This applies irrespective of whether the Issuer would be able to make such payments out of other funds available to it.

Risks associated with the lack of independence of the Issuer and Guarantor

Société Générale will act as the Guarantor of the Notes issued by the Issuer and as provider of hedging instruments to the Issuer. As a result, investors will be exposed not only to the credit risk of the Guarantor but also operational risks arising from the lack of independence of the Guarantor in assuming its duties and obligations as the Guarantor and provider of the hedging instruments. Therefore, the possibility of conflicts of interest arising cannot be wholly eliminated.

Conflicts of interest

The Issuer and the Guarantor provide a full array of capital market products and advisory services worldwide including the issuance of Structured Notes where interest and/or principal is/are linked to the performance of underlying assets. The Issuer and the Guarantor and any of their subsidiaries and affiliates, in connection with their other business activities, may possess or acquire material information about the underlying assets. Such activities and information may cause consequences adverse to the Noteholders. Such actions and conflicts may include, without limitation, the exercise of voting power, the purchase and sale of securities, financial advisory relationships and exercise of creditor rights. The Issuer, the Guarantor and any of their subsidiaries and affiliates have no obligation to disclose such information about the underlying assets or the companies to which they relate. The Issuer, the Guarantor and any of their subsidiaries and affiliates and their officers and directors may engage in any such activities without regard to the Notes or the effect that such activities may directly or indirectly have on any Note.

Hedging and trading activity by the Issuer or the Guarantor or their affiliates could potentially affect the value of the Notes

In the ordinary course of their business, whether or not they will engage in any secondary market making activities, the Issuer, the Guarantor and/or any of their affiliates may effect transactions for their own account or for the account of their customers and hold long or short positions in a certain asset (including an index or a basket of indices or a share or a basket of shares or a commodity or a basket of commodities or a fund unit or a basket of fund units or futures contracts on the same) (each a “**Reference Asset**”) by reference to which Structured Notes are calculated or related derivatives. In addition, in connection with the offering of the Notes, the Issuer, the Guarantor and/or their affiliates may enter into one or more hedging transactions with respect to the Reference Asset(s) or related derivatives. In connection with such hedging or any market-making activities or with respect to proprietary or other trading activities by the Issuer, the Guarantor and/or the Group, the Issuer, the Guarantor and/or their affiliates may enter into transactions in the Reference Asset(s) or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the relevant Noteholders. The above situations may result in consequences which may adversely affect the value of the Notes.

Furthermore, the Issuer may issue additional Tranches of Notes (“**Further Notes**”) that are fungible with the Notes, or other bonds, notes or instruments that, while not fungible with the Notes, may be linked to a Reference Asset (“**New Investment Products**” and, together with the Further Notes, “**Other Structured Notes**”). If Other Structured Notes are issued, Société Générale is likely to make additional investments in the Reference Assets to hedge exposure incurred in connection with such transactions related to Other Structured Notes. Any such investment in Reference Assets of Other Structured Notes could adversely affect the performance of the Reference Asset, which, in turn, could adversely affect the trading value of the Notes and the Final Redemption Amount.

Creditworthiness of the Guarantor

Pursuant to the Trust Agreement, the Guarantor is obliged to make available to the Issuer funds that equal the amount of any payments owed by the Issuer under the Notes as and when such payment obligations fall due and in a manner that allows the Issuer to fulfil its payment obligations in a timely manner. Due to this fiduciary issue structure the Noteholders depend solely and directly on the payments under the Trust Agreement and thus on the credit risk of the Guarantor (see “Issue of the Notes by Issuer on the account of the Guarantor and Limited Recourse” above).

Furthermore, the Guarantor has unconditionally and irrevocably guaranteed the due and punctual payment of any amounts due and payable and/or the due and punctual physical delivery of securities or assets deliverable under or in respect of the Notes. The Guarantee constitutes a general and unsecured contractual obligation of the Guarantor and of no other person, which will rank equally with all other unsecured contractual obligations of the Guarantor and behind preferred liabilities, including those mandatorily preferred by law.

The Guarantor issues and guarantees a large number of financial instruments, including the Notes, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If investors

purchase the Notes, they are relying upon the creditworthiness of the Guarantor and no other person and where the Notes relate to securities, they have no rights against the company that has issued such securities, and where the Notes relate to an index, they have no rights against the sponsor of such index and where the Notes relate to a fund, they have no rights against the manager of such fund. Further, an investment in the Notes is not an investment in the underlying assets and investors will have no rights in relation to voting rights or other entitlements (including any dividend or other distributions).

B. Risk Factors Relating to the Notes

Risks related to Notes generally

Modification of the Terms and Conditions

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

EU Savings Directive

If, following implementation of this Directive, a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on payment made by a Paying Agent following implementation of this Directive, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

Change of law

The conditions of the Notes are based on relevant laws in effect as at the date of this Debt Issuance Programme Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such laws or administrative practices after the date of this Debt Issuance Programme Prospectus.

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

Open End Notes

Potential investors who take into account to purchase Open End Notes should consider that this type of Notes does not have a determined maturity. Therefore, the duration of the Notes is dependent on an optional redemption, if any, elected by the Issuer (see also “Notes subject to optional redemption by the Issuer” below).

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a

significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Structured Notes and Dual Currency Notes

The Issuer may issue Notes with principal or interest determined by reference to an index and/or formula, to changes in the prices of securities or other reference assets (including, without limitation, shares, indices or fund units or commodities or futures contracts on the same), to movements in currency exchange rates or other factors (each, a “**Relevant Factor**”). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investment.

Variable rate Notes with a leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as EURIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads

on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

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

Notes linked to certain events

The interest rate or redemption amount of Notes may be linked to the occurrence or not of certain events which are not connected with the Issuer or the Guarantor, such as weather or sports events. The occurrence of such events will in most cases depend only on chance and will not be influenceable. Noteholders are therefore exposed to the risk that such events do not occur.

Risk Factors relating to Structured Notes the redemption amount of which is linked to the performance of one or more fund units

If the redemption amount of Structured Notes is linked to the performance of one or more Funds, an investment in the Structured Notes involves all the risks related to such underlying Funds. An investment in Funds may, depending on the type of the Fund, be speculative and involve a high degree of risk.

General risks related to an investment in Funds

The performance of the underlying Funds is essentially depending on the skill of the respective portfolio manager and, if the Fund is a fund of fund, on the performance of the target funds selected by such fund of funds. The Issuer and/or the Guarantor have no influence on the investment activity or the performance of the underlying Funds or the target funds (if applicable) and cannot give any assurance as to the performance of such Funds (including Funds that are managed by managers affiliated with Société Générale). The value of the Funds will change with the value of their respective underlying investments. Hence, the value of underlying fund units and the income arising from them will fluctuate and is not guaranteed. Some funds may invest in high yielding securities where the risk of depreciation and realisation of capital losses on some of the securities held will be unavoidable. In addition, the Fund may use derivatives in connection with its investment strategies. Derivatives may be riskier than other types of investments because they may be more sensitive to changes in economic or market conditions than other types of investments and could result in losses that significantly exceed the Fund's original investment.

Funds managers' investments are not verified or assured

None of the Issuer, Société Générale as Guarantor or as Calculation Agent under the Notes, or Société Générale's affiliates is or will be responsible for verifying or assuring that the managers of the underlying Funds comply with their stated trading strategies (unless the fund manager is an affiliate of Société Générale).

Fund managers do not consider the interests of the Noteholders

The fund managers (including managers that are Société Générale's affiliates) do not have any obligations to the Noteholders, or other role in connection with the Notes, including any obligation to consider the interests of the Noteholders for any reason. The fund managers (including fund managers that are Société Générale's affiliates) are not responsible for, and have not endorsed or participated in, the offering, placement, sale, purchase or transfer of the Notes. The fund managers (including fund managers that are Société Générale's affiliates) are not responsible for, and will not participate in, the determination or calculation of the amounts receivable by the Noteholders.

Fees, deductions and charges will reduce the Final Redemption Amount

Fund fees that apply regardless of the performance of the funds will be deducted from the net asset value of the Fund, reducing the value of the fund units. Accordingly, to the extent that the Final Redemption Amount is linked to the net asset value of a fund, the Final Redemption Amount payable to Noteholders will be less than it would have been absent these fees, deductions and charges. Such fees may be paid to funds' managers that are Société Générale's affiliates.

No recommendation of underlying Funds

From time to time, Société Générale and certain of its affiliates obtain information regarding specific Funds that may not be available to the general public. Any such information is provided to Société Générale and certain of its affiliates in the ordinary course of their businesses, and not in connection with the offering of the Notes (including in respect of Funds that are managed by managers affiliated with Société Générale). In connection with the ordinary course of their businesses, Société Générale and certain of its affiliates may recommend, or determine not to recommend, specific Funds to their clients. Funds as to which Société Générale and/or certain of its affiliates have formed investment recommendations may now or may in the future be among the underlying Funds used in the redemption formula of the Notes. Any views that may be held by Société Générale and/or certain of its affiliates with respect to the expected future performance of one or more of such underlying Funds should not be deemed as an indication of the future expected performance of such Funds. The offering of the Notes does not constitute a recommendation by the Issuer or Société Générale and/or any of its affiliates with respect to an investment linked to such underlying Funds.

Structured Notes linked to hedge funds

If Structured Notes are linked to the performance of one or more Funds that are hedge funds, an investment in the Structured Notes may, in addition to the risks of Funds described above, involve all the risks typically related to single hedge funds and, if applicable, to funds of hedge funds (these risks may partly relate to regular Funds as well). Generally, hedge funds (including hedge funds that are managed by managers affiliated with Société Générale) do not disclose information on their investments and/or the details of their investment techniques. Even if the Issuer, the Guarantor or any affiliate of Société Générale have arrangements with a hedge fund manager to obtain information required to calculate the value of such Fund, they may not have access to the activities of such Fund on a continuous basis or at all (including Funds that are managed by managers affiliated with Société Générale). Depending on the domicile of the hedge funds, there may be no regulatory requirements compelling funds to publish information that would allow the Issuer, the Guarantor or any affiliate of Société Générale to value such hedge funds or to accurately determine the value of such fund units and, consequently, to determine the Final or Early Redemption Amount of the relevant Notes.

Hedge funds involve various investment strategies each of which may involve high risks. Various technical devices will be used and a failure or blackout of such devices may result in significant losses or a non-realisation of investment opportunities. Generally, there are no restrictions regarding the investment instruments in which a hedge fund may invest. Therefore, the investments include inter alia stocks, other securities, derivatives and other forms of direct or indirect investments. Hence, an investment in hedge funds involves the specific investment risks of such investment instruments. Moreover, hedge funds may concentrate their investment activities on a few assets, markets or industries. Such a concentration is particularly risky and may result in relatively higher losses than it would be the case if investments were spread out more broadly. Furthermore, hedge funds may invest in assets the transfer of which is subject to legal or other restrictions or for which no liquid market exists. The value of such assets tends to be subject to strong fluctuations and it may be impossible to sell such assets at the desired time or to receive the actual market value in the event of a sale. The investments may be subject to foreign currency risks (including the risk of a temporary unenforceability, devaluation or non-convertibility) and to a number of other potential risks (e.g. confiscation, imposition of confiscatory taxes or charges, political or social instability, illiquidity, price volatility and market manipulation). The markets on which investments are made may have a significantly lower liquidity and governmental supervision than organised markets. Furthermore, higher transaction costs and delays in the settlement and clearing may occur. In addition, certain strategies may involve the assumption of certain short term losses in order to achieve higher long term profits. This may also affect the value of the Structured Notes linked to such hedge funds. Depending

on whether and to which extent such risks materialise, there is a risk that hedge funds make no profits at all or even losses. *Volatility of the markets may adversely affect the value of the hedge fund units*

The net asset value of hedge funds may be highly volatile within one day or over longer periods. Consequently, the performance of hedge fund units over a given period will not necessarily be indicative of the future performance of such units. Trades made by hedge fund managers may be based upon their expectation of price movements of certain investment instruments. It cannot be excluded that such expectations of price movements will not realise several months following initiation of such trades and may not even realise at all. Therefore, the market value of any positions held by hedge funds may not increase, but may in fact decrease, and this will be reflected in the net asset value of the units of such hedge funds and ultimately in the market value of the Structured Notes linked to such hedge funds.

If market prices move in a direction not anticipated by the respective hedge fund manager, the market volatility may cause significant losses to the net asset value of the hedge fund units and ultimately in the market value of the Structured Notes linked to such hedge funds.

The use of leverage and short sales may increase the risk of losses

Hedge funds may usually borrow without restrictions or use derivatives in order to raise their investment level (leverage). While this may increase the total potential return, such policy at the same time involves the risk of increased losses if, for example, the earnings and value of investments financed with outside funds fall below the payments due on those loans.

Furthermore, hedge funds may usually sell assets which are not owned at the time of the sale (short sales). The relevant asset must be borrowed from a third party whereas the return to the lender is effected following a purchase at a later stage. The short sale generates a profit if the value of the asset drops between the time of the short sale and the time of the subsequent purchase. However, in case the relevant asset increases in value, there is theoretically an unlimited risk of loss.

Management fees and incentive compensation

Hedge funds usually have to bear certain management and custody fees and further fees and expenses regardless of their performance. They usually accrue even if the fund's assets decrease in value. In addition to the fixed management fees, performance fees are also common. Performance fees may create an incentive to make investments that are riskier or more speculative than would be the case in the absence of a performance fee. Furthermore, the management fees and performance fees payable to the hedge fund managers may partly be based upon unrealised gains (as well as unrealised losses), and such unrealised gains and losses may never be realised by the hedge funds.

Custody risks

The assets which belong to a hedge fund are usually held in custody by one or more custodians or sub-custodians. This leads to a potential risk of loss resulting from a breach of duties to exercise due care, abusive content or the possible insolvency of the custodian or sub-custodian (if any).

Counterparty and Issuer Risks

Usually, hedge funds are not subject to any limitations regarding counterparties with whom they do business for investment purposes. As a consequence, they are to a specific extent subject to general non-payment risk (counterparty or issuer risk). Even if utmost care is exercised in the selection process, losses (as a consequence of an (impending) default of the issuer) cannot be excluded. Hedge funds often enter into transactions on over-the-counter markets (OTC transactions) in which the participants are usually not subject to an assessment of their creditworthiness or to regulatory control and therefore incur a specific counterparty risk with regard to the relevant counterparty of the transaction.

Soft Dollar Commissions

When selecting brokers, banks, traders and advisors, portfolio managers of hedge funds may apart from factors like prices, reliability and creditworthiness also consider certain products or services received by these persons for which these persons have covered the costs. Such soft-dollar commissions may induce portfolio managers to effect transactions with a person even if it does not offer the lowest transaction fees.

Lack of regulation

Hedge funds, including the underlying funds, are generally not subject to the same regulatory regime, or regulated to the same extent as mutual funds or listed securities. Consequently, investors in such hedge funds will not benefit from certain of the protections provided by such laws or regulations (as, for example, provisions whereby investment companies must have directors that do not participate in the investments of the Fund, whereby the securities have to be kept separate at a custodian bank which has to act independently of the investment management company and solely in the interests of the investors, whereby the relations between the investment company and their advisers are regulated or whereby fundamental changes of the investment policy require the consent of the investors). Changes to the current regulatory environment could affect the investment, operations and structure of the underlying hedge funds and could adversely affect their performance.

Specific risks of funds of hedge funds

If the underlying hedge funds are funds of hedge funds, the specific risks of funds of hedge funds have to be regarded in addition to the risks of single hedge funds (which may realise on the level of the target funds), which include, inter alia, the following: The performance of funds of hedge funds depends on the successful implementation of the investment strategies both on the level of each individual target fund and on the level of the fund of hedge funds by the relevant portfolio manager. In order to achieve a diversification of its investments, funds of hedge funds will invest their assets in a multitude of target funds which may be attributed to various investment strategies. Although such diversification is meant to compensate losses and at the same time to maintain the possibility of making profits from favourable price movements, no assurance can be given that the investment in the various target funds on a overall basis does not incur any losses. In contrast, the portfolio of a fund of hedge funds may also be composed of only a few target funds and/or may be focused on certain hedge fund strategies. Such a concentration on only a few portfolio managers and/or investment strategies involves particularly high risks and may lead to larger losses than in the case of a broad diversification of the assets. Moreover, the selection of the target funds by the manager of a fund of hedge funds is made on the basis of an analysis consisting of quantitative and qualitative elements. For such analysis, the manager of the respective fund of hedge funds has to rely on confirmations, calculations, representations and other information received from the relevant target fund itself or on its behalf from any third party. There is more or less no way of verifying the reliability of such information. In addition, the value of a fund of hedge funds does not reflect the total performance of all the target funds since, apart from the fees that accrue on the level of the target funds, management fees and other expenses will accrue on the level of the fund of hedge funds regardless of its performance. These fees and expenses will reduce the net asset value and therefore the performance of the fund of hedge funds. Besides the net asset value of a fund of hedge funds can only be determined on the basis of the available information about the net asset values of the target funds which may be limited in certain cases. In general, there may therefore be significant time-lags between the occurrence and the publication of events which may have an effect on the value of the hedge fund of funds assets.

Common risk factors relating to Structured Notes based on shares or indices or commodities (or futures contracts on the same)

Where payments (whether in respect of principal and/or interest and whether at maturity or otherwise) on Structured Notes are calculated by reference to an index or a basket of indices or a share or a basket of shares or a commodity or a basket of commodities (or futures contracts on the same), the return of the Notes is based on changes in the value of the Reference Asset, which fluctuates. Changes in the value of the Reference Asset cannot be predicted. Although historical data with respect to the Reference Asset is available, the historical performance of the Reference Asset should not be taken as an indication of future performance.

Investors' yield may be lower than the yield on a standard debt security of comparable maturity

Where payments (whether in respect of principal and/or interest and whether at maturity or otherwise) on Structured Notes are calculated by reference to a Reference Asset may not have periodic payments of interest on the Notes as there would be on a conventional fixed rate or floating rate debt security having the same issue date and maturity date as the Notes. Further, with respect to the Final Redemption Amount, the effective yield to maturity of the Notes may be less than that which would be payable on a conventional fixed rate or floating rate debt security. The return of only the Final Redemption Amount of each Note at maturity may not compensate the holder for any opportunity cost implied by inflation and other factors relating to the value of money over time.

Risk factors relating to Structured Notes based on indices

Return does not reflect dividends

Depending upon the calculation methodology of an index, where the performance of an index is taken into account in order to calculate payments due under the Indexed Notes the payment of income (such as dividends for an index that has stocks as underlyings) may not be reflected as the index may be calculated by reference to the prices of the underlyings comprising the index without taking into consideration the value of any income paid on those underlying assets. Therefore, the yield to maturity of Indexed Notes referring to an index may not be the same as the yield that would be produced if such underlying assets were purchased and held for a similar period.

Risks relating to an index

Indexed Notes based on an index are subject to risks broadly similar to those attending any investment in a broadly-based portfolio of assets including, without limitation, the risk that the general level of prices for such assets may decline. The following is a list of some of the significant risks associated with an index:

- historical performance of the index does not indicate the future performance of the index. It is impossible to predict whether the value of the index will fall or rise during the term of the Notes;
- if the index comprises underlying stocks, the trading prices of the stocks underlying the index will be influenced by political, economic, financial, market and other factors. It is impossible to predict what effect these factors will have on the value of any asset related to the index and, in turn, the return on the Notes.

The policies of the sponsor of an index concerning additions, deletions and substitutions of the assets underlying the index and the manner in which the index sponsor takes account of certain changes affecting such underlying assets may affect the value of the index. The policies of an index sponsor with respect to the calculation of an index could also affect the value of the index. An index sponsor may discontinue or suspend calculation or dissemination of information relating to its index. Any such actions could affect the value of the Notes. In addition, indices may be subject to management and other fees as well as charges that are payable to the index sponsors and which may reduce the Final Redemption Amount payable to the Noteholders. Such fees may be paid to index sponsors that are affiliates of Société Générale.

Risk factors specific to Structured Notes based on shares

No beneficial interest in the underlying shares

A holder of the Notes will not be a beneficial owner of the underlying shares and therefore will not be entitled to receive any dividends or similar amounts paid on the underlying shares, nor will a Noteholder be entitled to purchase the underlying shares by virtue of their ownership of the Notes. Moreover, holders of the Notes will not be entitled to any voting rights or other control rights that holders of the underlying shares may have with respect to the issuer of such underlying shares. The Final Redemption Amount will not reflect the payment of any dividends on the underlying shares. Accordingly, the return on the Notes will not reflect the return an investor would realise if he actually owned the underlying shares and received dividends, if any, paid on those securities. Therefore, the yield to maturity based on the methodology for calculating the Final

Redemption Amount will not be the same yield as would be produced if the underlying shares were purchased directly and held for a similar period.

Limited antidilution protection

The Calculation Agent may make adjustments to elements of the Notes as described in the Technical Annex. The Calculation Agent is not required to make an adjustment for every corporate event that may affect the underlying shares. Those events or other actions by the issuer of underlying shares or a third party may nevertheless adversely affect the market price of the underlying shares and, therefore, adversely affect the value of the Notes. The issuer of underlying shares or a third party could make an offering or exchange offer, or the issuer of underlying shares could take any other action, that adversely affects the value of the underlying shares and the Notes but does not result in an adjustment.

Risks arising from conduct of issuers of shares

The issuers of underlying shares are not involved in the offer of the Notes in any way and have no obligation to consider the interests of the holders of the Notes in taking any corporate actions that might affect the value of the Notes. The issuers of underlying shares may take actions that will adversely affect the value of the Notes.

C. Market and Other Risks

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

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

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

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Legal investment considerations may restrict certain investments

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

Any decline in the credit rating of the Guarantor may affect the market value of the Notes

The credit rating of the Guarantor is an assessment of its ability to pay its obligations, including those in connection with the offered Notes. Consequently, actual or anticipated declines in the credit rating of the Guarantor may affect the market value of the relevant Notes.

GENERAL INFORMATION

Under this Debt Issuance Programme (the “**Programme**”), Société Générale Effekten GmbH (the “**Issuer**”), acting in its own name but for the account of Société Générale, may from time to time issue Notes (the “**Notes**”) denominated in any currency agreed by the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s), as specified in the relevant Final Terms, in an undetermined aggregate principal amount. The principal amount of the Notes, the interest payable in respect of the Notes, if any, the issue prices and maturities of the Notes and all other terms and conditions not contained herein which are applicable to a particular Tranche of Notes (as defined in “**Terms and Conditions of the Notes**”), including the aggregate principal amount of such Tranche of Notes, will be set out in the applicable Final Terms.

Payments and/or physical delivery of any securities or assets in respect of Notes will be unconditionally and irrevocably guaranteed by Société Générale (in such capacity, the “**Guarantor**”).

The Notes will be issued to one or more of the Dealers as specified in “**Additional Information regarding the Securities Offered and the Offer - Placing and Underwriting**” and any additional dealers appointed under the Programme from time to time. Notes may also be issued to third parties other than Dealers (each a “**Purchaser**”).

Application has been made to list the Notes to be issued under the Programme on the Official Market and the Regulated Market of the Frankfurt Stock Exchange. The Programme provides, however, that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s)/Purchaser(s), as specified in the relevant Final Terms. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market, as specified in the relevant Final Terms.

The Notes of a Tranche or Series (as defined in “**Terms and Conditions of the Notes**”) (unless stated otherwise in the applicable Final Terms) will be represented by a Global Note, which is deposited with Clearstream Banking AG, Frankfurt, or a depository common to Clearstream Banking, société anonyme, Luxembourg, and Euroclear Bank S.A./N.V., Brussels, as operator of the Euroclear System or another clearing system as stipulated in the Final Terms.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and are subject to certain requirements under U.S. tax law. Apart from certain exceptions, the Notes may not be offered, sold or delivered within the United States of America. (see “**Selling Restrictions**”).

As of the date the “Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC” (the “Prospectus Directive”) is implemented in the relevant member states of the European Economic Area, the Notes may be offered and sold to the public within such member states of the European Economic Area only in accordance with the provisions of the Prospectus Directive and the acts and regulations passed in the respective member states with regard to the implementation of the Prospectus Directive. This Debt Issuance Programme Prospectus does not constitute a “prospectus” for the purposes of the Prospectus Directive in respect of any Notes (i) involving an offer to the public outside the EEA (if so specified in the applicable Final Terms) or of a type listed in Article 3.2 of the Prospectus Directive and (ii) which are not admitted to trading on a regulated market under Article 3.3 of the Prospectus Directive (any such Notes, “Exempt Notes”).

CERTAIN ISSUES OF NOTES MAY NOT BE SUITABLE INVESTMENTS FOR ALL INVESTORS. NO INVESTOR SHOULD PURCHASE A NOTE UNLESS SUCH INVESTOR UNDERSTANDS, AND IS ABLE TO BEAR THE YIELD, MARKET LIQUIDITY, STRUCTURE, REDEMPTION AND OTHER RISKS ASSOCIATED WITH THE NOTE. FOR FURTHER DETAILS, SEE “RISK FACTORS” HEREIN.

The Issuer and the Guarantor assume responsibility for the information contained in this Debt Issuance Programme Prospectus. Each of the Issuer and the Guarantor declare that they have taken all reasonable care to ensure that the information contained in this Debt Issuance Programme Prospectus is, to the best of their knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

This Debt Issuance Programme Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see “*Documents Incorporated by Reference*”) and any supplements hereto. This Debt Issuance Programme Prospectus shall be read and construed on the basis that such documents are so incorporated and form part of this Debt Issuance Programme Prospectus. Full information on the Issuer, the Guarantor and any Tranche of Notes issued hereunder is only available on the basis of the combination of this Debt Issuance Programme Prospectus, any supplements and the relevant Final Terms.

No person is or has been authorised by the Issuer or the Guarantor to give any information or to make any representation not contained in or not consistent with this Debt Issuance Programme Prospectus, any supplements, the applicable Final Terms or any other information supplied in connection with the Programme or the Notes and consequently, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Guarantor.

There is no warranty that all information contained in this Debt Issuance Programme Prospectus, any supplements or in the relevant Final Terms will still be correct at any time subsequent to the respective date of publication. The Issuer will prepare a supplement to this Debt Issuance Programme Prospectus in relation to every significant new factor, material mistake or inaccuracy relating to the information contained in this Debt Issuance Programme Prospectus and its supplements, if any, which is capable of affecting the assessment of the Notes.

Neither this Debt Issuance Programme Prospectus, any supplement hereto, the relevant Final Terms nor any other information supplied in connection with the Programme or the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation or a statement of opinion (or a report on either of those things) by the Issuer or the Guarantor that any recipient of this Debt Issuance Programme Prospectus or any other person should subscribe for or purchase any Notes issued under the Programme. Each investor contemplating an investment in any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Guarantor and the terms of the Notes issued, including the related chances and risks.

This Debt Issuance Programme Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Debt Issuance Programme Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Guarantor do not represent that this Debt Issuance Programme Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Guarantor which would permit a public offering of any Notes outside the European Economic Area or distribution of this Debt Issuance Programme Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Debt Issuance Programme Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

Persons into whose possession this Debt Issuance Programme Prospectus or any Note comes must inform themselves about, and observe, any such restrictions on the distribution of this Debt Issuance Programme Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Debt Issuance Programme Prospectus and the offer or sale of Notes in the European Economic Area, the United States and the United Kingdom (see “*Subscription and Sale*”).

Neither the Issuer nor the Guarantor represent or warrant that an investment in the Notes issued under the Programme is permissible under the applicable laws of any jurisdiction. Investors should satisfy themselves that they are able to bear the economic risk of an investment in the Notes.

The Guarantor or its affiliates do not assume any obligation to purchase any Notes or to establish or maintain a market liquidity, and no assurances can be given that a liquid market will develop for the Notes issued under the Programme.

All references in this document to euro, 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, as amended.

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OR SERIES OF NOTES (AS DEFINED IN “TERMS AND CONDITIONS OF THE NOTES”), THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) (THE “STABILISING MANAGER(S)”) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE APPLICABLE FINAL TERMS MAY OVER-ALLOT NOTES (PROVIDED THAT, IN THE CASE OF ANY TRANCHE OR SERIES TO BE ADMITTED TO TRADING ON THE MARKET, THE AGGREGATE PRINCIPAL AMOUNT OF NOTES ALLOTTED DOES NOT EXCEED 105 PER CENT. OF THE AGGREGATE PRINCIPAL AMOUNT OF THE RELEVANT TRANCHE OR SERIES OF 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(S) (OR PERSONS ACTING ON BEHALF OF A 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 RELEVANT TRANCHE OR SERIES OF 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 RELEVANT TRANCHE OR SERIES OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which, subject to supplement and/or amendment of existing provisions and/or deletion, as the case may be, of non-applicable provisions, will be completed for each Tranche of Notes issued under the Programme.

[Date]

FINAL TERMS

[Offer][Issue] of [Aggregate Principal Amount of Tranche] [Title of] Notes

Series [●], Tranche [●]

issued under the

Debt Issuance Programme

of

SOCIÉTÉ GÉNÉRALE EFFEKTEN GMBH

(acting in its own name but for the account of Société Générale)

Unconditionally and irrevocably guaranteed by Société Générale

[The Notes are offered to the public in [insert country(ies)] for subscription from and including [●] to and including [●], save in the case of early ending or prolongation, as the case may be.]

[The Notes may be purchased directly from any bank or savings bank (*Sparkasse*) in the Federal Republic of Germany, or any other market counterparty authorised to sell Notes.]

Unless defined, or stated otherwise, herein, capitalised terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus dated [●] (which ([as supplemented by the supplemental Prospectus[es] dated [●]]) (the “**Conditions**”) constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”)(the “**Base Prospectus**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the Notes is only available on the basis of the combination of this document (this “**Document**” or these “**Final Terms**”) and the Base Prospectus. [The Base Prospectus and these Final Terms are available for viewing at [address] [and] [website] and copies may be obtained free of charge from [address].]

[The provisions of the Technical Annex (Part B of the Conditions) apply to these Final Terms and such documents shall be read together.]

[The terms of this Document amend, supplement and vary the Conditions of the Notes set out in the Base Prospectus dated [●]. If and to the extent the terms of these Final Terms deviate from the Conditions, the terms of these Final Terms shall prevail. The Conditions so amended, supplemented or varied together with the relevant provisions of these Final Terms will form the Conditions applicable to this Series of Notes (the “**Supplemented Conditions**”).]¹

[The Conditions of the Notes set out in the Base Prospectus dated [●] shall be amended by incorporating the terms of this Document, and by deleting all provisions not applicable to this Series of Notes. The Consolidated Conditions shall replace the Conditions in their entirety (the “**Consolidated Conditions**”). If

¹ Only applicable to Supplemented Conditions.

and to the extent the Consolidated Conditions deviate from the terms of this Document, the Consolidated Conditions shall prevail.²

[Application [has been][will be] made to [trade] [list] the Notes on the [regulated] [official]market [of the] [Frankfurt Stock Exchange] [insert relevant other stock exchange and market segment]].

[The Notes are offered to [insert specified investor-category and restrictions, if applicable].]

[In the case of Structured Notes the terms of which rely in whole or in part on the provisions of the Technical Annex (Part B of the Conditions) insert:

The information included herein with respect to indices and/or formulas comprising, based on or referring to variations in the prices of one or more shares in companies, any other equity or non-equity securities, currencies or currency exchange rates, interest rates, credit risks, fund units, shares in investment companies, term deposits, life insurance contracts, loans, commodities or futures contracts on the same or any other underlying instrument(s) or asset(s) or the occurrence or not of certain events not linked to the Issuer or the Guarantor or any other factors to which the Notes are linked (the “**Underlyings**”) consists only of extracts from, or summaries of, publicly available information. The Issuer and the Guarantor accept responsibility that such information has been correctly extracted or summarised. No further or other responsibility in respect of such information is accepted by the Issuer and the Guarantor. In particular, the Issuer and the Guarantor [and any Dealer(s)] accept no responsibility in respect of the accuracy or completeness of the information set forth herein concerning the Underlyings of the Notes or that there has not occurred any event which would affect the accuracy or completeness of such information.]

No person has been authorised to give any information or to make any representation other than those contained in this Document in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer or the Guarantor. The delivery of this Document at any time does not imply that the information in it is correct as any time subsequent to this date.

Each prospective investor in Notes must ensure that the complexity and risks inherent in the Notes are suitable for its investment objectives and are appropriate for itself or the size, nature and condition of its business, as the case may be.

This Document cannot disclose all of the risks and other significant aspects of the Notes. No person should deal in the Notes unless that person understands the nature of the relevant transaction and the extent of that person's exposure to potential loss. Each prospective purchaser of Notes should consider carefully whether the Notes are suitable for it in the light of its circumstances and financial position.

Prospective investors in Notes should consult their own legal, tax, accountancy and other professional advisers to assist them in determining the suitability of the Notes for them as an investment.

[Under normal market conditions, Société Générale will organize a secondary market in respect of the Notes.] [In determining the market value of the Notes, Société Générale shall, if any, include accrued interest calculated in accordance with the provisions of paragraph 15 of these Final Terms as if interest were payable on the day on which Société Générale repurchases the Notes.] (*in respect of Notes which have a flat rate of interest*)

[Include whichever of the following apply or specify as “Not Applicable”. Italics denote directions for completing the Final Terms.]

² Only applicable to Consolidated Conditions.

PART A – CONTRACTUAL TERMS

Form of Conditions³	[Supplemented]
	[Consolidated]
1. (i) Issuer:	Société Générale Effekten GmbH
(ii) Guarantor:	Société Générale <i>[Sub-paragraphs 1(i) and (ii) above will be restated in the Schedule]</i>
2. (i) Series Number:	[]
(ii) Tranche Number:	[]
	<i>[If fungible with an existing Series, details of that Series, including the date on which the Notes are expected to become fungible]</i>
3. Specified Currency or Currencies:	[]
	<i>[To be restated in the Schedule]</i>
4. Aggregate Principal Amount:	
(i) Tranche:	[] <i>[in the case of a subscription period prior to the Issue Date insert: Up to [] but limited to the amount of the subscriptions actually received at the end of the offer period. The Aggregate Principal Amount will be determined at the end of the subscription period and published in a daily newspaper of general circulation in [Germany] on or before the Issue Date.]</i>
(ii) Series:	[] <i>[Sub-paragraphs 4(i) and 5(ii) above will be restated in the Schedule]</i>
5. Issue Price:	<i>[[] per cent. of the Aggregate Principal Amount / [insert amount] per Note of [insert amount] Specified Denomination] [plus an amount equal to the interest accrued from and including [insert date] to but excluding the Issue Date (which is equal to [] days' accrued interest) [if applicable]]</i> <i>[To be restated in the Schedule]</i>
6. Specified Denomination(s):	[]
	<i>[To be restated in the Schedule]</i>
7. (i) [Issue Date [and Interest Commencement Date]:	[]

³ To be determined in consultation with the Issuer and the Guarantor.

- (ii) [Interest Commencement Date [if different from the Issue Date]: []]
 [Sub-paragraph 7(i) above will be restated in the Schedule]
8. Maturity Date: [Specify date] [The Interest Payment Date scheduled to fall in [specify a month and a year]]
 [To be restated in the Schedule]
9. Interest Basis: [See paragraphs 15 to 18 below]
10. Redemption/Payment Basis:⁴ [See paragraph(s) 20 to 25 below]
11. Change of Interest Basis or Redemption/Payment Basis: [Not Applicable/See paragraphs 15 to 25 below]
12. Put/Call Options: [See paragraph(s) 21 and/or 22 below]
 [(further particulars specified below)]
13. Status of the Notes Unsubordinated
14. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 15. Fixed Rate Note Provisions** [Applicable/Not Applicable]
 [If not applicable, delete the remaining sub-paragraphs of this paragraph]
 [If applicable, sub-paragraphs (ii) and (iii) below will be restated in the Schedule]
- (i) Rate(s) of Interest: [] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear]
 [If payable other than annually, consider amending Condition 4 (Interest)]
- (ii) Interest Payment Date(s): []
- first Interest Payment Date: [] [if not the first anniversary of Interest Commencement Date] [Not Applicable]
- Initial Broken Amount(s): [] [per Aggregate Principal Amount/per Specified Denomination]
- Interest Payment Date preceding the Maturity Date: [] [if Maturity Date is not a fixed Interest Payment Date] [Not Applicable]
- Final Broken Amount(s): [] [per Aggregate Principal Amount/per Specified Denomination] [if Maturity Date is not a fixed Interest Payment Date] [Not Applicable]
- (iii) [Fixed Coupon Amount(s): [[] per Note of [] Specified Denomination]
 [Not Applicable]

⁴ If the Final Redemption Amount is less than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.

[NB: Only applicable in the case of Fixed Coupon Amount(s) instead of a fixed Rate of Interest]

(iv) Day Count Fraction: [30/360 or Actual/Actual (ICMA)/specify other]

As provided in Part 3-I-B of the Technical Annex.

(v) Number of regular Interest Payment Dates per calendar year: []

(vi) Determination Date(s): [] in each year

[Insert regular Interest Payment Dates, ignoring the Issue Date or Maturity Date in the case of a long or short first or last coupon]

[NB: This will need to be amended in the case of regular Interest Payment Dates which are not of equal duration]

[NB: Only to be completed where Day Count Fraction is Actual/Actual (ICMA)]

(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/give details/See the Schedule]

16. Floating Rate Note Provisions

[Applicable/Not Applicable]

[If not applicable, delete the remaining sub-paragraphs of this paragraph]

[If applicable, sub-paragraphs 16(i), 16(ii), 16(iii), 16(iv), 16(vi) and 16(x) will be detailed in the Schedule]

(i) Specified Interest Payment Date(s): []
[specify: fixed dates, or dates that are determined as a certain number of Business Days after certain specified dates (in such case, also specify such dates); specify if such dates occur in each year or other period to be specified; also specify in (iii) below any applicable financial centre(s) for the definition of "Business Day"]

- first Interest Payment Date: [] *[if not the first anniversary of Interest Commencement Date]* [Not Applicable]

- Interest Payment Date preceding the Maturity Date: [] *[if Maturity Date is not a fixed Interest Payment Date]* [Not Applicable]

[In the case of specified Interest Period(s) (instead of specified Interest Payment Date(s)) insert:

Specified Interest Period(s): [[]]

- [specify Interest Payment Dates by reference to period after Interest Commencement Date and/or last preceding Interest Payment Date; specify first and last such date]]
- (ii) Business Day Convention: [Floating Rate Note Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/
[specify other]]
- [adjusted/unadjusted] [Insert “(unadjusted)” if the application of the relevant business day convention is not intended to affect the Interest Amount: see Condition 4(a)(iii)]
- (iii) relevant financial centre(s)/ []
Applicable “Business Day”
Definition:
- (iv) Manner in which the Rate of Interest is to be determined: [ISDA Determination/Screen Rate Determination/specify other]
- (v) Calculation Agent responsible for calculating the Rate of Interest and/or Interest Amount: [] (if not the Agent) [As provided in the Technical Annex]
- (vi) Screen Rate Determination: [Applicable / Not Applicable]
(If not applicable, delete the remaining items of this sub-paragraph)
- Reference Rate: [EURIBOR/LIBOR//specify other] [if other Reference Rate is specified, include additional information such as fall-back provisions]
 - Interest Determination Date(s): [] [[TARGET] [London] [insert other relevant reference] Business Day(s) prior to the [[commencement] [end] [first day] of the relevant Interest Period / relevant Interest Payment Date]]
 - Specified Time: [] [which will be 11.00 a.m. Brussels time, in the case of EURIBOR or London time, in the case of a Reference Rate other than EURIBOR] [specify other]
 - Relevant Screen Page: [] [In the case of EURIBOR, if not Telerate Page 248, ensure it is a page which shows a composite rate or amend the fall-back provisions appropriately]
 - [Reference Banks: []
[specify only if indicated in Condition 4(b)]
- (vii) ISDA Determination:
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []

- (viii) Formula for calculation of Rate of Interest: [] [Not applicable]
- (ix) Margin(s): [+/-] [] per cent. per annum
- (x) Day Count Fraction: [Actual/365 or Actual/Actual;
Actual/Actual (ICMA)
Actual/365 (Fixed);
Actual/360;
30/360; 360/360 or Bond Basis;
30E/360 or Eurobond Basis/other]
- (xi) Fall-back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from, or in addition to, those set out in the Conditions: []

17. Zero Coupon Note Provisions

- [Applicable/Not Applicable]
[If not applicable, delete the remaining sub-paragraphs of this paragraph]
[If applicable in respect of Structured Notes, the following sub-paragraphs will appear and be detailed in the Schedule]
- (i) Accrual Yield: [] per cent. per annum
- (ii) Reference Price: []
- (iii) Any other formula/basis of determining amount payable: [] *[Consider applicable day count fraction if euro denominated]*
- (iv) Day Count Fraction in relation to Early Redemption Amount(s) and late payment: [Condition 4 applies/specify other]

18. Structured Note Provisions

- [Applicable/Not Applicable]
[If not applicable, delete the remaining sub-paragraphs of this paragraph]
- (i) Index/Formula: [As specified in the Schedule]
- (ii) Calculation Agent responsible for calculating Rate of Interest and/or Interest Amount: [] *(if not the Agent)*
[As provided in the Technical Annex]
- (iii) Provisions for determining Interest where calculation by reference to Index and/or Formula is impossible or impracticable: [As provided in the Technical Annex]
[If the Underlying is not covered by the Technical Annex: As provided in the Schedule]

- (iv) Specified Interest Period(s)/Interest Payment Date(s): []
- (v) Business Day Convention: [Floating Rate Note Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/*[specify other]*]
 [adjusted/unadjusted] *[Insert “(unadjusted)” if the application of the relevant business day convention is not intended to affect the Interest Amount: see Condition 4(a)(iii)]*
- (vi) relevant financial centre(s): []
- (vii) Day Count Fraction: []

19. Dual Currency Note Provisions

[Applicable/Not Applicable]
[If not applicable, delete the remaining subparagraphs of this paragraph]

- (i) Rate of Exchange/method of calculating Rate of Exchange: *[give or annex details]*
- (ii) Calculation Agent responsible for calculating the Rate of Interest and/or Interest Amount (if not the Agent): []
- (iii) Provisions applicable where calculation by reference to Rate of Exchange is impossible or impracticable: []
- (iv) Person at whose option Specified Currency(ies) is/are payable: []

PROVISIONS RELATING TO PHYSICAL DELIVERY

20. Physical Delivery Note Provisions

[Applicable/Not Applicable]
[If not applicable, delete the remaining subparagraphs of this paragraph]

[If applicable and except as specified below, the relevant provisions are as set out in the Technical Annex]

- (i) Underlyings and/or Formula to be used to determine principal and/or interest or the Physical Delivery Amount: *[If the Underlying is covered by the Technical Annex insert: As specified in the Schedule under Final Redemption Amount and, if applicable, other final terms, subject to adjustment as provided in the Technical Annex] [If the Underlying is not covered by the Technical Annex insert: As provided in the Schedule]*
- (ii) Settlement by way of cash and/or *[If the Underlying is covered by the Technical Annex insert: As specified in the Schedule under Final*

- physical delivery: Redemption Amount and, if applicable, other final terms, subject to adjustment as provided in the Technical Annex] *[If the Underlying is not covered by the Technical Annex insert: As provided in the Schedule]*
- (iii) [Issuer/Noteholder] option to vary method of settlement and, if yes, method of election, and procedure, for variation of settlement: [Yes *[give or annex details]*/No]
- (iv) If settlement is by way of physical delivery:
- (a) method of delivery of Physical Delivery Amount and consequences of a Settlement Disruption Event(s): [] [As provided in the Technical Annex]
- (b) details of how and when Transfer Notice is to be delivered: [] [As provided in the Technical Annex]
- (c) details of how entitlement to Physical Delivery Amount will be evidenced: [] [As provided in the Technical Annex]
- (v) The party responsible for calculating the redemption amount and/or interest amount, or the Physical Delivery Amount, payable (if not the Agent): [] [[Not applicable]
- (vi) Provisions where calculation by reference to the Underlyings and/or Formula is impossible or impracticable: [] [As provided in the Technical Annex]
- (vii) Details of any other relevant terms, any stock exchange requirements/tax considerations (including details of person responsible for transfer expenses): [] [As provided in the Technical Annex and as the case may be in the Schedule]
- (viii) Method of calculating Early Redemption Amount: [[] per Note of [] Specified Denomination][Market Value]
- (ix) Valuation Date(s): [] [As provided in the Schedule]
- (x) Details of Exchanges(s) and Related Exchange(s): [] [As provided in the Schedule]
- (xi) Such other additional terms or []

provisions as may be required (including, without limitation, definitions of Settlement Disruption Event(s), Potential Adjustment Events and Market Disruption Events):

[As provided in the Technical Annex and the as the case may be in the Schedule]

PROVISIONS RELATING TO REDEMPTION

21. Redemption at the Option of the Issuer (*other than for Tax Reasons*):

[Applicable/Not Applicable; the Notes cannot be redeemed early other than pursuant to Condition 6(b)]

[If not applicable delete the remaining sub-paragraphs of this paragraph]

[If applicable for reasons other than Tax Reasons, the following sub-paragraphs will appear and be detailed in the Schedule]

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

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[] per Note of [] Specified Denomination] [Market Value]

(iii) If redeemable in part:

(a) Minimum Redemption Amount: []

(b) Maximum Redemption Amount: []

(iv) Notice period: [As specified in Condition 6(c)]

*[Insert only if other than as set out in the Conditions:
[Other Minimum Notice Period to Noteholders]
[Other Maximum Notice Period to Noteholders]]*

22. Redemption at the option of the Noteholders:

[Applicable/Not Applicable]

[If not applicable, delete the remaining sub-paragraphs of this paragraph]

[If applicable in respect of Structured Notes, the following sub-paragraphs will appear and be detailed in the Schedule]

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

(ii) Put Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[] per Note of [] Specified Denomination] [Market Value]

(iii) Notice period (if other than as set out in the Conditions): [As specified in Condition 6(d)]

[Insert only if other than as set out in the Conditions:

[Other Minimum Notice Period to Issuer]
[Other Maximum Notice Period to Issuer]]

23. Final Redemption Amount⁵ (*Notes other than Instalment Notes and Open End Notes*): [principal amount][indexed][specify other Final Redemption Amount per Specified Denomination/see Schedule]

[If indexed or other, give details as provided in the following sub-paragraphs]

[If Final Redemption Amount is indexed:

- (i) Index/Formula: [See the Schedule]
- (ii) Calculation Agent responsible for calculating the Final Redemption Amount [] (if not the Agent):
[As provided in the Technical Annex]
- (iii) Provisions for determining the redemption amount where calculation by reference to Index and/or Formula is impossible or impracticable: [give or annex details]
[As provided in the Technical Annex and the as the case may be in the Schedule]]

24. Maturity Date (*Notes other than Open End Notes*): [See paragraph 8 above]

(i) Specified Maturity Date: [Not Applicable / Specify Date]

(ii) Redemption Month: [Not Applicable / Specify Month and Year]

25. Early Redemption Amount(s) payable on redemption due to Tax Reasons or due to an Event of Default and/or the method of calculating the same (if required or if different from that set out in the Conditions): [the principal amount of the Notes [plus accrued interest until the date of redemption (exclusive)] [and all outstanding Arrears of Interest] [the Amortised Face Amount of the Notes] [Market Value] [NB: "Market Value" is generally applicable in the case of Structured Notes or if so specified and means the amount determined in good faith and in a commercially reasonable manner by the Calculation Agent to be the fair market value of the Notes immediately prior (and ignoring the circumstances leading) to such early redemption, adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation any equity options, equity swaps or other instruments of any type whatsoever hedging the Issuer's obligations under the Notes)] [insert any other applicable provisions].

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes: Temporary global Note exchangeable for a permanent global Note only upon an exchange event as provided in Condition 1(c)

⁵ See footnote 4 above.

27. Payments on Temporary Global Notes Restricted: [Yes][No] [*see Condition 5(b)*]
28. “Payment Business Day” election in accordance with Condition 5(e) or other special provisions relating to Payment Business Days:⁶ [none/Modified Following Payment Business Day/*other*]
 [Note that this item relates to the date of payment and not Interest Period end dates to which items 16(ii) and 18(v) relate]
29. Financial Centre(s) for the purposes of Condition 5(e): [Not Applicable/*give details*]
30. Details relating to Partly Paid Notes: [amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:] [Not Applicable/*give details*]
 [If not applicable, delete the remaining sub-paragraphs of this paragraph]
- (i) Instalment Payment Date(s): []
- (ii) Instalment Amount(s): []
- (iii) Other applicable provisions: []
31. Details relating to Instalment Notes: [Not Applicable/*give details*]
 [If not applicable, delete the remaining sub-paragraphs of this paragraph]
- (i) Instalment Amount(s): []
- (ii) Instalment Date(s): []
- (iii) Other applicable provisions: []
32. Redenomination: [Applicable][Not Applicable]
 [If Redenomination is applicable, specify the terms of the redenomination in an annex to these Final Terms]

OTHER FINAL TERMS

33. Other final terms: [Not Applicable/*give details*/As specified in the Schedule]
 [When adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Debt Issuance Programme Prospectus under Article 16 of the Prospectus Directive]

⁶ Amend “Payment Business Day” definition if payment is to be made on 25th December as Euroclear and Clearstream, Luxembourg do not settle payments on such day.

NOTICES

34. Means of publication in accordance with Condition 13(a) [Börsen-Zeitung][d'Wort][other]
35. Clearing System Delivery Period in accordance with Condition 13(b): [Applicable/Not Applicable/other/give details]

PLAN OF DISTRIBUTION AND ALLOTMENT [Applicable/Not Applicable]

[If not applicable, delete the remaining subparagraphs of this paragraph]

36. Notification Process for allotted amount []
37. Tranche reserved to one of the countries where the Offer is made []

PLACING AND UNDERWRITING

38. (i) If syndicated, names [and addresses and underwriting commitments]** of Managers: [Not Applicable/give names [and addresses and underwriting commitments]** of Managers]
- [Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment on a "best efforts" basis if such entities are not the same as the Managers.]***
- (ii) [Date of Subscription Agreement:**] [Not Applicable/give date**]
- (iii) Stabilising Manager (if any): [Not Applicable/give name]
39. If non-syndicated, name [and address]** of relevant Dealer: [Société Générale
Tour Société Générale
17, Cours Valmy
92987 Paris-La Défense Cedex 7] **
[Give name [and address]**] [in case of a dealer other than Société Générale]
40. Total commission and concession**: [There is no commission and/or concession paid by the Issuer to the Dealer] [give details]
41. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: [TEFRA D/TEFRA C/Not Applicable]
42. Additional selling restrictions: [Not Applicable/give details]

[LISTING AND ADMISSION TO TRADING APPLICATION

This Document comprises the final terms required to list and have [admitted to the [Official Market] [Regulated Market]] [traded⁷ [on the Freiverkehr] [unregulated market]] of the [Frankfurt] [Luxembourg] [*specify other*] stock exchange this issue of Notes by Société Générale Effekten GmbH pursuant to its Debt Issuance Programme for which purpose they are hereby submitted.]

RESPONSIBILITY

Société Générale Effekten GmbH as Issuer and Société Générale S.A. as Guarantor accept responsibility for the information contained in these Final Terms under § 5 Sec. (4) German Securities Prospectus Act (*Wertpapierprospektgesetz*). Information or summaries of information included herein with respect to the Underlying (s) has been extracted or obtained, as the case may be, from general databases released publicly or by any other available information. The Issuer and the Guarantor confirm that such information has been accurately reproduced and that, so far as they are aware and are able to ascertain from information published, no facts have been omitted which would render the reproduced information, inaccurate or misleading.

Signed on behalf of the Issuer:

[Signed on behalf of the Guarantor:

By:

By:

Duly authorised

Duly authorised]

⁷ Delete in the case of Notes to be listed on the Freiverkehr of any German Stock Exchange or on the unregulated market of any other stock exchange.

PART B – OTHER INFORMATION

1. LISTING

(i) Listing: [[Official Market] [Regulated Market] [unregulated market] [Frankfurt] [Luxembourg] stock exchange (specify other) / None]

[If other than “None” this will be restated in the Schedule]

[Where documenting a fungible issue need to indicate that original securities are already admitted to trading.]**

(ii) Estimate of total expenses related to admission to trading: []*

2. RATINGS

Ratings: The Notes to be issued have not been rated

3. [NOTIFICATION

The Bundesanstalt für Finanzdienstleistungsaufsicht [has been requested to provide/has provided (*include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues*)] the [*include names of competent authorities of host Member States*] with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive].

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the Dealer(s), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

The Issuer and Société Générale expect to enter into hedging transactions in order to hedge the Issuer's obligations under the Notes. Should any conflicts of interest arise between (i) the responsibilities of Société Générale as Calculation Agent for the Notes and (ii) the responsibilities of Société Générale as counterparty to the above mentioned hedging transactions, the Issuer and Société Générale hereby represent that such conflicts of interest will be resolved in a manner which respects the interests of the Noteholders.]

[Amend as appropriate if there are other interests]

5. ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

(i) [Reasons for the offer: []]

[(See “Use of Proceeds” wording in Debt Issuance Programme Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]

(ii) [Estimated net proceeds: [] [Not Applicable]

[If the proceeds are intended for more than one purpose, those purposes should be disclosed in order of priority. If

the proceeds will be insufficient to fund all disclosed purposes, state the amount and sources of other funding.]]

(iii) [Estimated total expenses: [] [Include breakdown of expenses]]

[(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.])**

(iv) Taxes and other expenses: Taxes charged in connection with the subscription, transfer, purchase or holding of the Notes must be paid by the Noteholders and neither the Issuer nor the Guarantor shall have any obligation in relation thereto; in that respect, Noteholders shall consult professional tax advisers to determine the tax regime applicable to their own situation. Other expenses that may be charged to the Noteholders, *inter alia* by distributors, in relation to the subscription, transfer, purchase or holding of the Notes, cannot be assessed or influenced by the Issuer or the Guarantor and are usually based on the relevant intermediary's business conditions.
[specify other]

6. **YIELD** (Fixed Rate Notes only)

Indication of yield: [Not Applicable/Applicable] [give details]

[Calculated as [include details of method of calculation in summary form] on the Issue Date.]**

[In case of Structured Notes in respect of which a fixed rate of interest is paid during all part of the term of the Notes insert: Since the Notes are linked to the performance of certain Underlying(s), the yield cannot be foreseen. However, an indication of the yield can be set equal to the discount rate that equates the net present value of the cash outflows for the investor with the net present value of the cash inflows also for the investor, based on the following sequence :

(1) Cash outflows:

- Issue Price on Issue Date.

(2) Cash inflows:

- Fixed Coupon Amount on respective Interest Payment Date(s); and

- Redemption Amount on its payment date.

The Redemption Amount for the purpose of this

paragraph shall be the Final Redemption Amount computed assuming that the value of the Underlying(s) remain(s) unchanged [or, if applicable, the first redemption amount according to paragraph “Other final terms”, as specified in the Schedule, computed under the same assumption in respect of the Underlying(s).]

7. **HISTORIC INTEREST RATES** (*Floating Rate Notes only*)

[Not Applicable/Applicable]

Details of historic [EURIBOR/LIBOR/other] rates can be obtained from [Telerate].**

8. **PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

[Not Applicable/Applicable]

[Include details of where performance and volatility from time to time of the index/formula can be obtained]

*[Include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances in which the risks are most evident.]***

[Where the Underlying is an index, include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the Underlying is not an index need to include equivalent information.]

9. **PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT** (*Dual Currency Notes only*)

[Not Applicable/Applicable]

[Include details of where performance and volatility from time to time of the relevant rates can be obtained]

*[Include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances in which the risks are most evident.] ***

10. **OPERATIONAL INFORMATION**

(i) ISIN Code: []

(ii) Common Code: []

(iii) Clearing System(s): [Clearstream, Frankfurt / Clearstream, Luxembourg / Euroclear]
[other / additional Clearing System]
[give name(s) and number(s)]
[Not Applicable]

11. **Delivery:** Delivery [against/free of] payment

12. **Names and addresses of Additional Paying Agent(s) and Settlement Agent (if any):** []

13. **Address and contact details of Société Générale for all administrative communications relating to the Notes:** Telephone: []
Telex: []
Facsimile: []
Attention: []

GOVERNING LAW

14. **Governing law in respect of the Notes:** German law

15. **Governing law in respect of the Guarantee:** French law

Notes:

* Delete if the minimum denomination is less than €50,000

** Delete if the minimum denomination is €50,000

SCHEDULE

(This Schedule forms part of the Final Terms to which it is attached)

Part 1:

1.	(i)	Issuer:	Société Générale Effekten GmbH
	(ii)	Guarantor:	Société Générale
3.		Specified Currency or Currencies	[]
4.		Aggregate Principal Amount	
	(i)	[Tranche:	[]]
	(ii)	[Series:	[]]
5.		Issue Price	[]
6.		Specified Denomination(s)	[]
7(i).		Issue Date	[]
8.		Maturity Date	[]
1.(i) (Part B)		Listing	[]
15.		[Fixed Rate Note Provisions	Applicable ⁸
	(ii)	Interest Payment Date(s):	[]
	(iii)	Fixed Coupon Amount(s):	[]]
16.		[Floating Rate Note Provisions	Applicable ⁹
	(i)	Specified Interest Payment Date(s)/ Specified Interest Period(s):	[]
	(ii)	Business Day Convention:	[]
	(iii)	relevant financial centre(s)/ Applicable "Business Day" Definition:	[]
	(iv)	Manner in which the Rate of Interest is to be determined	[]
	(vi)	Screen Rate Determination:	[]
	-	Reference Rate:	[]
	-	Interest Determination Date(s):	[]

⁸ If specified as "Not Applicable" in paragraph 15 of Part A of the Final Terms, delete this paragraph.

⁹ If specified as "Not Applicable" in paragraph 16 of Part A of the Final Terms, delete this paragraph.

- Specified Time: []
- Relevant Screen Page: []
- (x) Day Count Fraction:] []
17. **[Zero Coupon Note Provisions:** Applicable¹⁰
- (i) Accrual Yield: [] per cent. per annum
- (ii) Reference Price: []
- (iii) Any other formula/basis of determining amount payable: []
[Consider applicable day count fraction if euro denominated]]
- (iv) Day Count Fraction in relation to Early Redemption Amount(s) and late payment: [Condition 4 applies/specify other]]
18. **[Structured Note Provisions** Applicable¹¹
- (i) Index/Formula: []]
20. **[Physical Delivery Note Provisions** Applicable¹²
- (ix) Valuation Date(s): []]
21. **[Redemption at the Option of the Issuer (other than for Tax Reasons):** Applicable¹³
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[] per Note of [] Specified Denomination]
[Market Value]
- (iii) If redeemable in part: []
- (a) Minimum Redemption Amount: []
- (b) Maximum Redemption Amount: []

¹⁰ If specified as “Not Applicable” in paragraph 17 of Part A of the Final Terms, delete this paragraph.

¹¹ If specified as “Not Applicable” in paragraph 18 of Part A of the Final Terms, delete this paragraph.

¹² If specified as “Not Applicable” in paragraph 20 of Part A of the Final Terms, delete this paragraph.

¹³ If specified as “Not Applicable” in paragraph 21 of Part A of the Final Terms, delete this paragraph.

(iv) Notice period: [As specified in Condition 6(c)]
[Insert only if other than as set out in the Conditions:
[Other Minimum Notice Period to Noteholders]
[Other Maximum Notice Period to Noteholders]]

22. **[Redemption at the option of the Noteholders:** Applicable¹⁴

(i) Put Redemption Date(s): []
(ii) Put Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[] per Note of [] Specified Denomination]
[Market Value]

(iii) Notice period: [As specified in Condition 6(d)]
[Insert only if other than as set out in the Conditions:
[Other Minimum Notice Period to Issuer]
[Other Maximum Notice Period to Issuer]]

23. **Final Redemption Amount:** [principal amount][indexed][*specify other Final Redemption Amount per Specified Denomination*]
[If indexed or other, give details in the following sub-paragraph]

(i) Index/Formula: []

33. **Other final terms:** [Applicable/Not Applicable]

Part 2:

Terms used in the Formula above are described in this Part 2.

Underlyings

[[●] has been extracted from [●]. Each of the Issuer and the Guarantor confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced inaccurate or misleading.]

¹⁴ If specified as “Not Applicable” in paragraph 22 of Part A of the Final Terms, delete this paragraph.

TERMS AND CONDITIONS OF THE NOTES

The terms and conditions of the Notes (the “**Terms and Conditions**” or the “**Conditions**”) are set forth below in two parts: Part A sets out the basic contractual terms that apply to all types of Notes issued under this Debt Issuance Programme (the “**Basic Terms**”). Part A is supplemented by Part B, commencing on page 87 of this Debt Issuance Programme Prospectus, which sets out specific terms that apply, if stated to be applicable in the applicable Final Terms, to Notes whose interest rate and/or redemption amount is determined or calculated by reference to an index and/or a formula based on or referring to changes in the prices of securities or assets (including, without limitation, shares, fund units or commodities or futures contracts on the same, as further described on page 87 hereof) or by reference to such other factor or factors as indicated in the applicable Final Terms (collectively “**Structured Notes**”) (the “**Technical Annex**”).

The Basic Terms and the Technical Annex together form the Terms and the Conditions of the Notes. To the extent so specified in the Final Terms or to the extent inconsistent with the Basic Terms, the terms of the Technical Annex replace or modify the Basic Terms for the purpose of the Notes to which it applies.

[In the case of supplemented Conditions insert: The provisions of these Terms and Conditions apply to the Notes as completed, modified, supplemented or replaced, in whole or in part, by the applicable Final Terms, which are attached hereto and which together with the Terms and Conditions will apply to the Notes to be issued under the Programme and will be endorsed on, attached to or incorporated by reference into each Global Note.

The blanks in these Terms and Conditions which are applicable to the Notes shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions; any provisions of the Final Terms modifying, supplementing or replacing, in whole or in part, the provisions of these Terms and Conditions shall be deemed to so modify, supplement or replace the provisions of these Terms and Conditions; alternative or optional provisions of these Terms and Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted shall be deemed to be deleted from these Terms and Conditions; and all provisions of these Terms and Conditions which are inapplicable to the Notes (including instructions, explanatory notes and text set out in square brackets) shall be deemed to be deleted from these Terms and Conditions, as required to give effect to the terms of the Final Terms.]

PART A – BASIC TERMS

1. Currency, Denomination, Form and Certain Definitions

- (a) *Currency; Denomination.* This tranche of Notes (the “**Notes**”) of Société Générale Effekten GmbH (the “**Issuer**”, which expression shall include any Substitute Debtor as defined in Condition 12) is being issued in [insert Specified Currency] (the “**Specified Currency**”) in the aggregate principal amount of [insert aggregate principal amount] (the “**Aggregate Principal Amount**”), divided into notes in the specified denomination of [insert Specified Denomination] (the “**Specified Denomination**”) each.
- (b) *Form.* The Notes are issued in bearer form.
- (c) *Global Notes:* The Notes are initially represented by a temporary global bearer Note (the “**Temporary Global Note**”) without interest coupons. The Temporary Global Note will be exchangeable, free of charge to the holder of Notes, on or after its Exchange Date, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note for a permanent global bearer Note (the “**Permanent Global Note**”) (the Temporary Global Note and the Permanent Global Note, each a “**Global Note**”) without interest coupons. Each of the Temporary Global Note and the Permanent Global Note shall bear the manual or facsimile signatures of two duly authorised signatories of the Issuer.

“Exchange Date” means a day falling not earlier than 40 days after the date of issue of the Temporary Global Note.

- (d) *Definitive Notes:* The right of the Noteholders to require the issue and delivery of definitive Notes or interest coupons is excluded.
- (e) *Clearing System:* The Global Notes will be held in custody by or on behalf of [Clearstream Banking AG, Frankfurt (“**Clearstream, Frankfurt**”)] [a depository common to Clearstream Banking, société anonyme, Luxembourg (“**Clearstream, Luxembourg**”) and Euroclear Bank S.A./N.V., as operator of the Euroclear System (“**Euroclear**”)] [a depository or nominee for purposes of introducing the Notes into the clearing system operated by [insert other clearing system]] ([together] the “**Clearing System**”) until all obligations of the Issuer under the Notes have been satisfied.
- (f) *Holder of Notes.* “**Noteholder**” means any holder of a proportionate co-ownership or other beneficial interest or right in the Global Note(s) introduced into the Clearing System under a particular securities identification number, which are transferable in accordance with applicable laws and the rules and regulations of the Clearing System.
- (g) *Certain Definitions:*

References in these Conditions to “**Tranche**” shall mean Notes which are identical in all respects.

References in these Conditions to “**Series**” shall mean a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) are identical in all respects except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Any reference in these Conditions to “**Physical Delivery Notes**” shall mean Notes in respect of which an amount of principal and/or interest is payable and/or (by reference to an underlying security or asset as specified in the applicable Final Terms (the “**Underlying**”)) a Physical Delivery Amount (being the number of Underlyings plus/minus any amount due to/from the Noteholder in respect of each Note) is deliverable and/or payable, in each case by reference to one or more Underlyings as indicated in the applicable Final Terms.

2. Status of the Notes and Guarantee

- (a) *Status of the Notes:* The obligations under the Notes constitute direct, unconditional, unsubordinated and, subject to the Guarantee unsecured limited recourse obligations of the Issuer and shall at all times rank pari passu and without preference among themselves. The payment obligations of the Issuer under the Notes (save for certain obligations preferred by mandatory provisions of statutory law) shall rank pari passu with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.
- (b) *Guarantee:* Société Générale (the “**Guarantor**”) has given an unconditional and irrevocable Guarantee for the due and punctual payment of principal of, and interest on, and any other amounts expressed to be payable under the Notes and/or the due and punctual physical delivery of securities or assets deliverable under or in respect of the Notes for the benefit of the Noteholders.

3. Negative Pledge

So long as any of the Notes is outstanding, but only up to the time at which all amounts payable hereunder have been paid, the Guarantor undertakes, subject to the provisions of any applicable mandatory law, not to create or permit to subsist, any mortgage, charge, pledge, lien or other encumbrance upon any or all of its present or future revenues or assets for any other Capital Market Indebtedness, including any guarantees or other indemnities assumed in respect thereof, without at the same time or prior thereto securing the Notes equally and rateable therewith. The undertaking pursuant to the preceding sentence shall not apply to a security (i) which is mandatory according to applicable laws, or (ii) which is required as a prerequisite for governmental approvals. Any security which is to be provided pursuant to the first sentence may also be provided to a trustee on behalf of the Noteholders.

“**Capital Market Indebtedness**” means any indebtedness, present or future, of the Guarantor in the form of Notes or notes or similar instruments with an original maturity of more than one year, which can be traded on any stock exchange or other securities market.

4. Interest

[In the case of Fixed Rate Notes insert the following paragraphs (a) to (c):

- (a) *Rate of Interest and Interest Payment Dates.* The Notes shall bear interest on their principal amount **[in the case of Rate of Interest insert: at the rate of [insert Rate of Interest] per cent. per annum]** from (and including) **[insert Interest Commencement Date]** to (but excluding) the Maturity Date (as defined in Condition 6(a)). Interest shall be payable in arrears on **[insert Interest Payment Date or Dates]** in each year (each such date, an “**Interest Payment Date**”). **[In the case of Fixed Coupon Amount insert: The amount of interest payable on such Interest Payment Date will amount to [insert Fixed Coupon Amount].]** **[If first Interest Payment Date is not the first anniversary of Interest Commencement Date insert: The first payment of interest shall be made on [insert first Interest Payment Date] and will amount to [insert Initial Broken Amount] [if Initial Broken Amount per Aggregate Principal Amount insert: per Aggregate Principal Amount.] [if Initial Broken Amount per Specified Denomination per Specified Denomination.]]** **[If Maturity Date is not an Interest Payment Date insert: Interest in respect of the period from (and including) [insert Interest Payment Date preceding the Maturity Date] to (but excluding) the Maturity Date will amount to [insert Final Broken Amount] [if Final Broken Amount per Aggregate Principal Amount insert: per Aggregate Principal Amount.] [if Final Broken Amount per Specified Denomination insert: per Specified Denomination.]]** **[If the Specified Currency is Euro and if Actual/Actual (ICMA) is applicable insert: The number of Interest Payment Dates per calendar year (each a “Determination Date”) is [insert number of regular Interest Payment Dates per calendar year]].**
- (b) *Accrual of Interest.* If the Issuer shall fail to redeem the Notes when due, interest shall not cease to accrue on (and including) the day which precedes the due date but shall continue to accrue until (and including) the day which precedes the actual redemption of the Notes at the default rate of interest established by law.
- (c) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).]

[Insert any other relevant terms here and in the applicable Final Terms.]

[In the case of Floating Rate Notes insert, in accordance with the selections made in the applicable Final Terms, the following paragraphs (a) to (g):

- (a) *Interest Payment Dates.*
- (i) The Notes bear interest on their principal amount from (and including) **[insert Interest Commencement Date]** (the “**Interest Commencement Date**”) to (but excluding) the first Interest Payment Date and thereafter from (and including) each Interest Payment Date to (but excluding) the next following Interest Payment Date (each, an “**Interest Period**”). Interest on the Notes shall be payable in arrear on each Interest Payment Date.
- (ii) “**Interest Payment Date**” means:

[in the case of Specified Interest Payment Dates or one Specified Interest Payment Date insert: [in case of a short/long first interest period insert: [first Interest Payment Date] and thereafter] [each] [insert Specified Interest Payment Date(s)].] **[in case of a short/long last interest period insert: The last payment of interest preceding the Maturity Date shall be made on [insert Interest Payment Date preceding the Maturity Date].]**

[in the case of Specified Interest Periods insert: each date which (except as otherwise provided in these Terms and Conditions) falls [insert number] [weeks] [months] [insert other specified periods]

after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.]

- (iii) If (x) there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), it shall be:

[if Specified Periods and Floating Rate Note Convention are specified in the Final Terms insert: (a) in the case of (x) above, the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply mutatis mutandis or (b) in the case of (y) above, postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls **[[insert number] months] [insert other specified periods]** after the preceding applicable Interest Payment Date.]

[if Following Business Day Convention is specified in the Final Terms insert: postponed to the next day which is a Business Day.]

[if Modified Following Business Day Convention is specified in the Final Terms insert: postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be the immediately preceding Business Day.]

[if Preceding Business Day Convention is specified in the Final Terms insert: the immediately preceding Business Day.]

Notwithstanding the foregoing, where the applicable Final Terms specify that the relevant Business Day Convention is to be applied on an “**unadjusted**” basis, the Interest Amount (as defined below) payable on any date shall not be affected by the application of such Business Day Convention.

- (iv) In this Condition 4(a) “**Business Day**” means a day which is a day (other than a Saturday or a Sunday) on which both (i) the Clearing System, and (ii) **[if the Specified Currency is Euro insert:** the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)] **[if the Specified Currency is not Euro insert:** commercial banks are generally open for business in, and foreign exchange markets in **[insert all relevant financial centres]**] settle payments.
- (b) *Rate of Interest.*

[if Screen Rate Determination is specified in the applicable Final Terms insert:

The rate of interest (the “**Rate of Interest**”) for each Interest Period will, except as provided below, be:

- (i) the offered quotation (if there is only one offered quotation on the Screen Page (as defined below)), or
- (ii) if there is more than one offered quotation on the Screen Page, the arithmetic mean (rounded if necessary to the nearest one **[if the Reference Rate is EURIBOR insert:** thousandth of a percentage point, with 0.0005] **[if the Reference Rate is not EURIBOR insert:** hundred-thousandth of a percentage point, with 0.000005] being rounded upwards) of such offered quotations,

(expressed as a percentage rate per annum) for deposits in the Specified Currency for [that Interest Period] **[insert other period]** which appears on the Screen Page as of [11:00 a.m. (**[If the Reference Rate is EURIBOR insert:** Brussels] **[If the Reference Rate is not EURIBOR insert:** London] **[insert other relevant time and/or relevant location]** time) on the Interest Determination Date (as defined below) **[if Margin insert:** [plus] [minus] the Margin (as defined below)], all as determined by the Calculation Agent, as specified in Condition 11(a) below. If five or more of such offered quotations are available on the relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than

one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

“Interest Determination Date” means the [[second] **insert other applicable number of days**] [TARGET] [London] **insert other relevant reference** Business Day prior to the [[commencement] end] of the relevant Interest Period] [relevant Interest Payment Date]] [first day of the relevant Interest Period]. **[In case of a TARGET Business Day insert: “TARGET Business Day”** means a day on which TARGET is operating.] **[In case of a non-TARGET Business Day insert: “[London] insert other relevant location] Business Day”** means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in [London] **insert other relevant location**].

[If Margin insert: “Margin” means [●] per cent. per annum.]

“Screen Page” means **insert relevant Screen Page**] or, if discontinued, its successor page.

If the Screen Page is not available or if no such quotation appears (as at such time) the Calculation Agent shall request the principal **[If the Reference Rate is EURIBOR insert Euro-Zone] [If the Reference Rate is not EURIBOR insert London]** office of each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for the relevant Interest Period to leading banks in the **[If the Reference Rate is not EURIBOR insert London]** interbank market **[If the Reference Rate is EURIBOR insert of the Euro-Zone]** at approximately [11.00 a.m. **([If the Reference Rate is EURIBOR insert Brussels] [If the Reference Rate is not EURIBOR insert London]** time) on the Interest Determination Date. **[“Euro-Zone”** means the region comprised of member states of the European Union that participate in the European Economic and Monetary Union.] If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest **[If the Reference Rate is EURIBOR insert: one thousandth of a percentage point, with 0.0005] [If the Reference Rate is not EURIBOR insert: one hundred-thousandth of a percentage point, with 0.000005]** being rounded upwards) of such offered quotations **[if Margin insert: [plus] [minus] the Margin]**, all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest **[If the Reference Rate is EURIBOR insert: one thousandth of a percentage point, with 0.0005] [If the Reference Rate is not EURIBOR insert: one hundred-thousandth of a percentage point, with 0.000005]** being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at [11.00 a.m. **([If the Reference Rate is EURIBOR insert Brussels] [If the Reference Rate is not EURIBOR insert London]** time) on the relevant Interest Determination Date, deposits in the Specified Currency for the relevant Interest Period by leading banks in the **[If the Reference Rate is not EURIBOR insert London]** interbank market **[If the Reference Rate is EURIBOR insert of the Euro-Zone]** **[if Margin insert: [plus] [minus] the Margin]** or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent and the Issuer suitable for such purpose) inform(s) the Calculation Agent it is or they are quoting to leading banks in the **[If the Reference Rate is not EURIBOR insert London]** interbank market **[If the Reference Rate is EURIBOR insert of the**

Euro-Zone] (or, as the case may be, the quotations of such bank or banks to the Calculation Agent) **[in the case of Margin insert: [plus] [minus] the Margin]**. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last preceding Interest Determination Date **[if Margin insert: [plus] [minus] the Margin]** (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period)].

“Reference Banks” means **[if no other Reference Banks are specified in the Final Terms, insert: the principal Euro-Zone offices of four major banks in the Euro-Zone interbank market as selected by the Calculation Agent] [if other Reference Banks are specified in the Final Terms, insert names here]**.

[If the Reference Rate is other than EURIBOR, insert relevant details in lieu of the provisions of this subparagraph (b)]

[If the Specified Currency is a currency of a country which does not at the date of issue participate in the European Economic and Monetary Union, insert: If the Notes are redenominated from the Specified Currency into Euro and if the rate last displayed on the Screen Page is not substituted by applicable statutory or regulatory law, Screen Page shall mean the reference rate specified as Euro Interbank Offered Rate (EURIBOR) on the monitor page [●] of Reuters or its successor page. This reference rate shall commence to be applicable with respect to the first Interest Period which begins after redenomination of the Specified Currency into Euro. As of such Interest Period each reference in this subparagraph (b) to a local time shall be to Brussels time, each reference to a principal office shall be to the principal Euro-Zone office and each reference to an interbank market shall be to the interbank market of the Euro-Zone. “Euro-Zone” means the region comprised of member states of the European Union that participate in the European Economic and Monetary Union.]

[If ISDA Determination applies insert the following alternative of this paragraph (b):

The rate of interest (the **“Rate of Interest”**) for each Interest Period will be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate **[if Margin is applicable the following applies: [plus] [minus] a margin of [insert applicable Margin] (the “Margin”)]**.

For the purposes of this paragraph (b), **“ISDA Rate”** for an Interest Period means the Rate of Interest equal to the Floating Rate that would be determined by the [Calculation] Agent under an interest rate swap transaction if the [Calculation] Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions (as defined below) and under which

- (i) the **“Floating Rate Option”** means **[insert Floating Rate Option]**
- (ii) the **“Designated Maturity”** means **[insert Designated Maturity]**.
- (iii) the relevant **“Reset Date”** means **[the first day of that Interest Period] [insert other relevant Reset Date]**.

For purposes of this sub-paragraph, **Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity and Reset Date** have the meanings given to those terms in the 2000 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (the **“ISDA Definitions”**) and as amended and updated as at the issue date of the first Tranche of the Notes of this Series of Notes [and as attached to these Terms and Conditions]. **[Insert any other relevant provisions here and in the Final Terms]**

[If the Rate of Interest is determined by reference to a formula insert the following alternative of this paragraph (b):

The rate of interest (the “**Rate of Interest**”) for each Interest Period shall be determined by the Calculation Agent in accordance with the following formula: **[insert formula and detailed description of the relevant variables including the relevant fall back provisions]**.

[If other method of determination/indexation applies, insert relevant details in addition to, or in lieu of, the provisions of this paragraph (b).

[•]

(c) Determination of Rate of Interest and calculation of Interest Amount

The [Calculation] Agent, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. [The Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.]

The [Calculation] Agent will, on or as soon as practicable after each date at which the Rate of Interest is to be determined, calculate the amount of interest (the “**Interest Amount**”) payable on the Notes in respect of each Specified Denomination for the relevant Interest Period or Interest Periods, as the case may be. Each Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below in ([•] (Definitions)) to each Specified Denomination and rounding the resulting figure **[if the Specified Currency is Euro the following applies:** to the nearest 0.01 Euro, 0.005 Euro being rounded upwards.] **[if the Specified Currency is not Euro the following applies:** to the nearest minimum unit of the Specified Currency, with 0.005 of such unit being rounded upwards.] Where any Interest Period comprises two or more Interest Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Periods.

(d) Notification of Rate of Interest and Interest Amount

The [Calculation] Agent will cause the Rate of Interest, each Interest Amount for each Interest Period, each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and, if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange, and to the Noteholders in accordance with Condition 13 as soon as possible after their determination, but in no event later than the fourth [TARGET] [London] **[insert other relevant reference]** Business Day (as defined in Condition 4(b)) thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to any stock exchange on which the Notes are then listed and to the Noteholders in accordance with Condition 13.

(e) Determinations Binding

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4 by the Agent or, if applicable, the Calculation Agent, shall (in the absence of manifest error) be binding on the Issuer, the Guarantor, the Agent, the Calculation Agent (if applicable), the Paying Agent(s) and the Noteholders. No liability to the Issuer, the Guarantor or the Noteholders shall attach to the Agent or, if applicable, the Calculation Agent, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(f) *Accrual of Interest*

The Notes shall cease to bear interest as from the beginning of the day on which they are due for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall not cease to accrue on (and including) the day which precedes the due date, but shall continue to accrue until (and including) the day which precedes actual redemption of the Notes. Interest shall continue to accrue on the outstanding principal amount of the Notes from the due date (inclusive) until the date of redemption of the Notes (exclusive), at the default rate of interest established by law.

[In the case of Zero Coupon Notes insert:

(a) *No Periodic Payments of Interest*

There will not be any periodic payments of interest on the Notes during their term.

(b) *Accrual of Interest*

If the Issuer shall fail to redeem the Notes when due, interest shall accrue on the amount due and payable under the Notes as from (and including) the Maturity Date to (and including) the day which precedes the date of actual redemption, at the default rate of interest established by law.

[insert other applicable provisions]

[In the case of Structured Notes, insert any other applicable provisions regarding interest here and in the relevant Final Terms.]

[•]

[In the case of Dual Currency Notes, insert any other applicable provisions regarding interest here and in the relevant Final Terms.]

[•]

[In the case of Physical Delivery Notes, insert any other applicable provisions regarding interest here and in the relevant Final Terms.]

[•]

[In the case of Partly Paid Notes, insert any other applicable provisions regarding interest here and in the relevant Final Terms.]

[•]

[(insert relevant paragraph number)] *Certain Definitions Relating to the Calculation of Interest*

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

“**Day Count Fraction**” means with regard to the calculation of interest on any Note for any Interest Period:

[If Actual/365 or Actual/Actual applies insert: the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365).**]**

[In the case of Fixed Rate Notes, if the Specified Currency is Euro and if Actual/Actual (ICMA) is applicable insert:

- (i) if the Interest Period (from and including the first day of such period but excluding the last) is equal to or shorter than the Determination Period during which the Interest Period ends, the number of days in such Interest Period (from and including the first day of such period but excluding the last) divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Dates (as specified in Condition 4 (a)) that would occur in one calendar year; or
- (ii) if the Interest Period is longer than the Determination Period during which the Interest Period ends, the sum of: (A) the number of days in such Interest Period falling in the Determination Period in which the Interest Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in Condition 4 (a)) and (B) the number of days in such Interest Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in Condition 4 (a)) that would occur in one calendar year.

“**Determination Period**” means the period from (and including) a Determination Date to, (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).]

[if Actual/365 (Fixed) insert: the actual number of days in the Interest Period divided by 365.]

[if Actual/360 insert: the actual number of days in the Interest Period divided by 360.]

[if 30/360, 360/360 or Bond Basis: the number of days in the Interest Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (A) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Interest Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).]

[if 30E/360 or Eurobond Basis insert: the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered lengthened to a 30-day month).]

5. Payments

- (a) *Payment of Principal.* Payment of principal in respect of Notes shall be made, subject to subparagraph (c) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

[In the case of Notes other than Zero Coupon Notes insert the following para. (b):

- (b) *Payment of Interest.* Payment of interest on Notes shall be made, subject to subparagraph (c) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

[In the case of interest payable on a Temporary Global Note insert: Payment of interest on Notes represented by the Temporary Global Note shall only be made upon due certification as provided in Condition 1(c).]

- (c) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the freely negotiable and convertible currency which on the

respective due date is the currency of the country of the Specified Currency. Should the Specified Currency have been replaced on the due date under any applicable legal provision, payments shall be made in such legally prescribed currency. If, as a result of such legal changes, there are several currencies to choose from, the Issuer shall choose a currency in its reasonable discretion. This shall also apply if payment in the Specified Currency is not possible for any other reason.

- (d) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.
- (e) *Payment Business Day.* If the due date for payment of any amount in respect of any Note is not a Payment Business Day then the Noteholder shall instead be entitled to payment **[if no Payment Business Day election is made in the Final terms insert:** on the next following Payment Business Day in the relevant place] **[if Modified Following Payment Business Day Convention is specified in the Final Terms insert:** on the next following Payment Business Day in the relevant place, unless the date for payment would thereby fall into the next calendar month, in which event such date for payment shall be brought forward to the immediately preceding Payment Business Day in the Relevant Date] and shall not be entitled to further interest or other payment in respect of a potential adjustment in accordance with this Condition 5(e).

For purposes of this Condition 5(e), “**Payment Business Day**” means a day which is a day (other than a Saturday or a Sunday) on which both (i) the Clearing System, and (ii) **[if the Specified Currency is not euro insert:** [commercial banks and foreign exchange markets in **[insert all relevant Financial Centres]]** in the principal financial centre of the country of the Specified Currency] **[if the Specified Currency is euro insert:** the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET) System] settle(s) payments.

- (f) *References to Principal and Interest.* References in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:
- (i) the Final Redemption Amount of the Notes;
 - (ii) the Early Redemption Amount of the Notes;
 - (iii) **[if the Notes are redeemable at the option of the Issuer other than for tax reasons insert:** the Optional Redemption Amount(s) of the Notes;]
 - (iv) **[if the Notes are redeemable at the option of the Noteholder insert:** the Put Redemption Amount(s) of the Notes;]
 - (v) **[in relation to Notes redeemable in instalments insert:** the Instalment Amounts;]
 - (vi) **[in relation to Zero Coupon Notes insert:** the Amortised Face Amount (as defined in Condition 6(f));] and

any premium and any other amounts which may be payable under or in respect of the Notes, including, as applicable, any Additional Amounts which may be payable under Condition 7. References in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under Condition 7.

[In the case of Physical Delivery Notes insert: References in these Terms and Conditions to principal and/or interest and Physical Delivery Amount(s) shall mean such amount less any expenses, fees, stamp duty, levies or other amounts payable on or in respect of the relevant Physical Delivery Amount(s).]

- (g) *Deposit of Principal and Interest.* The Issuer may deposit with the *Amtsgericht* in Frankfurt am Main principal or interest not claimed by Noteholders within twelve months after the due date, even though

such Noteholders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Noteholders against the Issuer shall cease.

[In the case of Physical Delivery Notes insert:

[(insert relevant paragraph number)] *Physical Delivery Notes*

[Insert relevant provisions relating to the procedure for the delivery of any Physical Delivery Amount in respect of Physical Delivery Notes (including, without limitation, liability for the costs of transfer of Underlyings) here and in the applicable Final Terms.]

6. Redemption and Purchase

(a) Redemption at Maturity

[In the case of Notes other than Instalment Notes and Open-End Notes, insert:

To the extent not previously redeemed in whole or in part, the Notes shall be redeemed at their Final Redemption Amount on **[in the case of a specified Maturity Date insert such Maturity Date]** **[in the case of a redemption month the following applies:** the Interest Payment Date falling in **[insert redemption month]** **)]** (“Maturity Date”).

“Final Redemption Amount” means in respect of each Note **[if the Notes are redeemed at their principal amount insert: its principal amount]** **[if the Notes are redeemed at an amount other than the principal amount insert: other Final Redemption Amount]** **[if Final Redemption Amount is calculated on the basis of a formula insert: an amount calculated by the Calculation Agent in accordance with the following formula:**

[insert formula]

provided always that the Final Redemption Amount shall in no event be less than zero].]

[In the case of Instalment Notes, insert the following alternative of Condition 6(a):

To the extent not previously redeemed in whole or in part, the Notes shall be redeemed on the Instalment Date(s) and in the Instalment Amount(s) set forth below:

Instalment Date(s)	Instalment Amounts (per Specified Denomination)
[•]	[•]
[•]	[•]

(b) Early Redemption for Tax Reasons

(i) Early Redemption because of a Gross-up Event

If at any time after the issuance of the Notes a Gross up Event (as defined below) occurs, the Notes may be redeemed (in whole but not in part) at the option of the Issuer at their Early Redemption Amount (as defined below) [together (if applicable) with accrued interest to but excluding the date of redemption] **[in the case of Notes other than Floating Rate Notes or any other interest bearing Notes in respect of which the Rate of Interest is not calculated on a fixed rate basis (Variable Interest Notes), insert: at any time]** **[in the case of Floating Rate Notes or Variable Interest Notes insert: on any Interest Payment Date]** upon giving not less than 30 nor more than 60 days' notice to the Noteholders in

accordance with Condition 13, provided that no such notice of redemption may be given earlier than 90 days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts.

Any notice given in accordance with the above paragraph shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

A “**Gross up Event**” occurs if the Issuer has or will become obliged by a legislative body, a court or any authority to pay Additional Amounts pursuant to Condition 7 or the Guarantor has or will become obliged to pay Additional Amounts in respect of payments due under the Guarantee or the trust agreement dated February 24th, 2006 between the Issuer and the Guarantor as a result of any change in or amendment to the laws of (or any rules or regulations thereunder) of the Federal Republic of Germany or France or any political subdivision or any authority of or in the Federal Republic of Germany or France (each a “**Tax Jurisdiction**”), or any change in or amendment to any official interpretation or application of those laws or rules or regulations, and that obligation cannot be avoided by the Issuer and/or the Guarantor taking reasonable measures it (acting in good faith) deems appropriate.

(ii) Special Tax Redemption

If the Issuer or, as the case may be, the Guarantor would, on the occasion of the next payment of principal or interest in respect of the Notes, be prevented by the law of a Tax Jurisdiction from causing payment to be made to the Noteholders of the full amount then due and payable, then the Issuer or the Guarantor, as the case may be, shall forthwith give notice of such fact to the Agent and the Issuer or the Guarantor, as the case may be, shall, upon giving not less than seven nor more than 45 days' prior notice to the Noteholders in accordance with Condition 13, forthwith redeem all, but not some only, of the Notes at their Early Redemption Amount, together, if appropriate, with accrued interest, on the latest practicable Interest Payment Date on which the Issuer or the Guarantor, as the case may be, could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice to Noteholders shall be the later of:

- (A) the latest practicable date on which the Issuer or the Guarantor, as the case may be, could make payment of the full amount then due and payable in respect of the Notes; and
- (B) 14 days after giving notice to the Agent as aforesaid.

[If the applicable Final Terms provide that the Notes may be redeemed at the option of the Issuer for a reason other than Tax Reasons, insert the following paragraph (c):

(c) Early Redemption at the Option of the Issuer

The Issuer may, upon having given notice in accordance with subparagraph three below, redeem the Notes [in whole or in part / in whole but not in part] at the Optional Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Optional Redemption Date on the Optional Redemption Date(s).

Optional Redemption Date(s)	Optional Redemption Amount(s)
[•]	[•]
[•]	[•]

[If Notes are also subject to Early Redemption at the Option of the Noteholders the following applies: The Issuer may not exercise such option in respect of any Note which is the subject of the prior

exercise by the Noteholder thereof of its option to require the redemption of such Note under Condition 6(d).]

The appropriate notice of redemption shall be given by the Issuer to the Noteholders in accordance with Condition 13 no later than [30] **[insert Other Minimum Notice Period to Noteholders]** and not earlier than [45] **[insert Other Maximum Notice to Noteholders]** days prior to the relevant Put Redemption Date, which notice shall be irrevocable and shall specify:

- the Tranche or Series of Notes subject to redemption;
- whether such Tranche or Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes which are to be redeemed;
- the Optional Redemption Date; and
- the Optional Redemption Amount at which such Notes are to be redeemed.

[In the case of a partial redemption of Notes, Notes to be redeemed shall be selected in accordance with the rules of the relevant Clearing System.]

The Issuer will inform, if required by such stock exchange on which the Notes are listed, such stock exchange, as soon as possible of such redemption.]

[If the applicable Final Terms provide that the Notes may or may not be redeemed at the option of the Noteholders, insert the following paragraph (d):

(d) [No] Redemption at the Option of the Noteholders

[Alternative 1: If there is no right to early redemption of the Notes at the option of the Noteholders, the following applies:

The Noteholders shall not be entitled to put the Notes for redemption otherwise than provided in Condition 9.]

[Alternative 2: If there is a right to early redemption of the Notes at the option of the Noteholders, the following applies:

The Issuer shall, at the option of any Noteholder, redeem such Note in whole (but not in part) on the Put Redemption Date(s) at the Put Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Put Redemption Date.

Put Redemption Date(s)

[•]

[•]

Put Redemption Amount(s)

[•]

[•]

[If Notes are also subject to Early Redemption at the Option of the Issuer the following applies The Noteholder may not exercise the option for Early Redemption in respect of any Note which is the subject of the prior exercise by the Issuer of its right to redeem such Note under this Condition 6.]

In order to exercise the option, the Noteholder must, not less than [15] **[insert Other Minimum Notice to Issuer]** nor more than [30] **[insert Other Maximum Notice to Issuer]** days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice (as defined below), submit during normal business hours at the specified office of the Agent a duly completed early redemption notice (“**Put Notice**”) in the form available from the specified office of the Agent. The Put Notice must specify (i) the principal amount of the Notes in respect of which such option is exercised, and (ii) the securities identification number of such Notes, if any. The Issuer shall only be required to redeem Notes in respect of which such option is exercised against delivery of such Notes to the Issuer or to its order. No option so exercised may be revoked or withdrawn except where prior to the

Put Redemption Date an Event of Default has occurred and is continuing, in which event such Noteholder at its option may elect by notice to the Issuer to withdraw the Put Notice and instead declare such Notes forthwith due and demand immediate redemption thereof pursuant to Condition 9.]

[If the Notes are subject to repurchase by the Issuer insert the following paragraph (e):

(e) Purchase

The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold.

(f) Early Redemption Amount

The “**Early Redemption Amount**” of the Notes will be [the principal amount of the Notes] [plus accrued interest to but excluding the date of redemption] [and all outstanding Arrears of Interest] [the Amortised Face Amount] [**in the case of Structured Notes or if “Market Value” is specified in the applicable Final Terms insert:** the amount determined in good faith and in a commercially reasonable manner by the Calculation Agent to be the fair market value of the Notes immediately prior (and ignoring the circumstances leading) to such early redemption, adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation any equity options, equity swaps or other instruments of any type whatsoever hedging the Issuer’s obligations under the Notes).] [**insert other applicable provisions**].

[If the Notes subject to early redemption are Zero Coupon Notes, the following paragraphs shall be added to Condition 6(f) to provide for early redemption:

- (i) Subject to the provisions of subparagraph (ii) below, the “**Amortised Face Amount**” of any such Note shall be the sum of (x) [**insert Reference Price**] (the “**Reference Price**”) and (y) the product of [**insert the Accrual Yield**] (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.
- (ii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(b) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in subparagraph (i) above, except that such subparagraph shall have effect as though the date fixed for the redemption or the date on which the Note becomes due and payable were the date on which notice of receipt of the full amount has been given to the Noteholders in accordance with Condition 13.

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction (Condition 4).]]

[In the case of Physical Delivery Notes, insert any other applicable provisions regarding redemption here and in the relevant Final Terms.]

[•]

[In the case of Partly Paid Notes, insert the following alternative of Condition 6(a):

The Notes will be subscribed at the Instalment Amounts and on the Instalment Payment Dates set forth below:

Instalment Date(s)

[•]

[•]

Instalment Amount(s)

[•]

[•]

[The obligation to pay an Instalment Amount on the relevant Instalment Payment Date is only incurred by the holders of the Notes on such Instalment Payment Date.

The Notes will be redeemed on the Maturity Date at their nominal amount and on any Optional Redemption Date at their paid-up nominal amount as at the date fixed for redemption.

In the event that any Noteholder fails to pay an Instalment Amount on the relevant Instalment Payment Date (such date an “**Instalment Default Date**”), any such Notes held by such Noteholder shall automatically be redeemed on the relevant Early Redemption Date, at the Settlement Amount.

For the purposes of this Condition 6(a):

Early Redemption Date means, in respect of any Note, the seventh Payment Business Day following an Instalment Default Date;

Settlement Amount means, in respect of any Note, an amount determined by the Calculation Agent in accordance with the following formula:

Max [0; [Paid-up Nominal Amount – Hedging Arrangements]]

where:

Hedging Arrangements means the pro-rata share, in respect of each Note, of the costs of unwinding all hedging arrangements (taking into account the present value of any Instalment Amount(s) remaining to be paid in respect of the Notes) entered into or purchased by the Issuer and/or the Guarantor in respect of the Notes;

Paid-up Nominal Amount means, in respect of any Instalment Payment Date, the paid-up nominal amount of the relevant Note up to (and including) the applicable Instalment Payment Date. Interest will neither accrue nor be payable in respect of the period from and including the applicable Instalment Default Date to and including the applicable Early Redemption Date.]

[In the case of Structured Notes, insert any other applicable provisions regarding redemption here and in the relevant Final Terms.]

[•]

[Insert any other applicable provisions regarding redemption here and in the relevant Final Terms.]

[•]]

7. Taxation

All payments of principal and interest in respect of the Notes (including payments by the Guarantor under the Guarantee) will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Federal Republic of Germany or France (as the case may be) or any political subdivision or any authority of the Federal Republic of Germany or France (as the case may be) that has power to tax, unless that withholding or deduction is required by law. In that event, the Issuer or the Guarantor (as the case may be) shall pay such additional amounts (the “**Additional Amounts**”) as shall be necessary in order that the net amounts received by the Noteholders, after such withholding or deduction shall equal the respective amounts which the Noteholders would otherwise have received if no such withholding or

deduction had been required, except that no additional amounts will be payable in respect of any Note if it is presented for payment:

- (i) by or on behalf of a Noteholder which is liable to such taxes, duties, assessments or governmental charges in respect of that Note by reason of its having some connection with the Federal Republic of Germany or France (as the case may be) other than the mere holding of that Note; or
- (ii) by or on behalf of a Noteholder which would be able to avoid such withholding or deduction by presenting any form or certificate and/or making a declaration of non-residence or similar claim for exemption or refund but fails to do so; or
- (iii) more than 30 days after the Relevant Date (as defined below); or
- (iv) where such deduction or withholding is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 3 June 2003 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (v) by or on behalf of a Noteholder which would have been able to avoid such withholding or deduction by presenting the Note to a Paying Agent in another Member State of the European Union.

In these Conditions, “**Relevant Date**” means whichever is the later of the date on which the payment in question first becomes due and, if the full amount payable has not been received by the Agent on or prior to that due date, the date on which notice of receipt of the full amount has been given to the Noteholders in accordance with Condition 13.

8. Presentation, Prescription

- (a) The period for presentation of Notes due, as established in § 801 paragraph 1 sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch*), is reduced to ten years.
- (b) The period for prescription for Notes presented for payment during the presentation period shall be two years beginning at the end of the relevant presentation period.

9. Events of Default

- (a) Each Noteholder shall be entitled to declare his Notes due and demand immediate redemption thereof at the Early Redemption Amount (as described in Condition 6), together with accrued interest (if any) to the date of repayment, if any of the events below occurs and is continuing:
 - (i) the Issuer or the Guarantor fails to pay, for any reason whatsoever, any amount due under the Notes within 30 days from the relevant due date; or
 - (ii) the Issuer or the Guarantor is in default in the performance of any other obligation arising from the Notes or the Guarantee, as the case may be, which default is not capable of remedy or, if such default is capable of being remedied by the Issuer or the Guarantor, such default has not been so remedied within 30 days after the Agent has received written notification thereof from a Noteholder; or
 - (iii) the Issuer or the Guarantor suspends payment or announces its inability to pay its debts (*Zahlungsunfähigkeit*); or
 - (iv) insolvency or court composition proceedings are commenced before a court against the Issuer or the Guarantor, as the case may be, which shall not have been discharged or stayed within 60 days after the commencement thereof, or the Issuer or the Guarantor, as the case may be, institutes such proceedings or suspends payments or offers or makes a general arrangement for the benefit of all its creditors; or

- (v) the Issuer or the Guarantor, as the case may be, enters into a winding up or dissolution or liquidation, unless such a winding up or dissolution or liquidation is to take place in connection with a merger, consolidation or other combination with another company and such company assumes all obligations of the Issuer or the Guarantor, as the case may be, under these Conditions.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

- (b) *Notice.* Any notice, including any notice declaring Notes due, in accordance with subparagraph (a) shall be made by means of a written declaration in the German or English language delivered by hand or registered mail to the specified office of the Agent together with proof that such Noteholder at the time of such notice is a holder of the relevant Notes. The Notes shall be redeemed following receipt of the notice declaring Notes due.

10. Limited Recourse

The Issuer and the Guarantor have entered into a trust agreement (the “**Trust Agreement**”) pursuant to which the Issuer shall, *inter alia*, (i) issue and redeem the Notes on a fiduciary basis (*treuhänderisch*) in its own name but for the account of the Guarantor; (ii) collect any proceeds resulting from the issuance of the Notes and forward them to the Guarantor; and (iii) use only the funds made available to it by the Guarantor under the Trust Agreement (which funds shall equal the amount of any payments owed by the Issuer under the Notes as and when such payment obligations fall due and in a manner that allows the Issuer to fulfil its payment obligations in a timely manner) for payments owed under the Notes as and when they fall due and to make such payments on a fiduciary basis in its own name but for the account of the Guarantor. The Issuer’s ability to satisfy its payment obligations under the Notes in full is therefore dependent upon it receiving in full the amounts payable to it by the Guarantor under the Trust Agreement.

Any payment obligations of the Issuer under the Notes shall therefore be limited to the funds received from the Guarantor under the Trust Agreement. To the extent such funds prove ultimately insufficient to satisfy the claims of all Noteholders in full, then any shortfall arising therefrom shall be extinguished and no Noteholder shall have any further claims against the Issuer, regardless of whether the Issuer would be able to fulfil its payment obligations under the Notes out of its own funds, provided that the foregoing shall be without prejudice to the right to exercise any termination or early redemption rights.

11. Agent, Paying Agent[s] [and Calculation Agent]

- (a) *Appointment; Specified Office.* The Agent, the Principal Paying Agent[, the additional Paying Agent[s]] [and the Calculation Agent] and [its] [their] initial specified office[s] shall be:

Agent:

[Name and address]

[Calculation Agent:

[If the Agent acts as Calculation Agent, insert: The Agent shall act as Calculation Agent in respect of the Notes.]

[If a Calculation Agent other than the Agent is to be appointed, insert:

[Name and address]]

[If the Agent acts as Paying Agent, insert: The Agent shall also fulfil the functions of a paying agent in respect of the Notes.]

[If there are additional paying agents and the Agent acts as Principal Paying Agent, insert:

Principal Paying Agent:

The Agent shall act as the principal paying agent in respect of the Notes.

The additional paying agent[s] (the Paying Agent[s]) shall be:

[Names and addresses]

[In the case of Physical Delivery Notes, insert: The Agent may (with the prior written consent of the Issuer) delegate certain of its functions and duties in relation to the Notes to a settlement agent (the “**Settlement Agent**”).

The Settlement Agent shall be:

[Name and address]

The Agent, the Principal Paying Agent[, the additional Paying Agent[s]] [and] [,] the Calculation Agent [and the Settlement Agent] reserve[s] the right at any time to change [its] [their] specified office[s] to some other specified office in the same city. The terms “**Paying Agents**” and “**Paying Agent**” shall include the Principal Paying Agent, unless the context requires otherwise. The term[s] “**Agent**” [and “**Calculation Agent**”, respectively,] shall include any additional or successor agents [or any other or successor calculation agents].

- (b) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Agent, the Principal Paying Agent, and any Paying Agent [and] [,] [the Calculation Agent] [and the Settlement Agent] and to appoint another Agent, additional or other Principal Paying Agent or Paying Agents [or][,][Calculation Agent][or Settlement Agent] provided that it will at all times maintain an Agent [and] [,] [a Calculation Agent], [a Paying Agent (which may be the Principal Paying Agent) with a specified office in a continental European city,] [a Paying Agent with a specified office outside the European Union,] [a Paying Agent in an EU member state, if any, that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 3 June 2003 on the taxation of savings income or any law implementing or complying with, or introduced to conform to, such Directive,] [and] [so long as the Notes are listed on a stock exchange, a Paying Agent (which may be the Principal Paying Agent) with a specified office in such city as may be required by the rules of the relevant stock exchange].

The Issuer shall without undue delay notify the Noteholders of any variation, termination, appointment or change in accordance with Condition 13.

- (c) *Agent of the Issuer.* The Agent, the Principal Paying Agent[, the additional Paying Agents] [and] [,] [the Calculation Agent] [and the Settlement Agent] act[s] solely as the agent[s] of the Issuer and [does] [do] not assume any obligations towards or relationship of agency or trust for any Noteholder.

12. Substitution

- (a) *Substitution.* The Issuer and/or the Guarantor may, without the consent of the Noteholders, if it is not in default with any payment of principal of or interest on any of the Notes, at any time substitute for the Issuer either itself or any Affiliate (as defined below) of the Issuer as principal debtor (the “**Substitute**”

Debtor”) in respect of all obligations arising from or in connection with the Notes with the effect of releasing the Issuer of all such obligations, provided that:

- (i) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes and, if service of process vis-à-vis the Substitute Debtor would have to be effected outside the Federal Republic of Germany, appoints a process agent within the Federal Republic of Germany;
- (ii) the Substitute Debtor has obtained all necessary authorisations and approvals for the substitution and the fulfilment of the obligations in respect of the Notes and may transfer to the Agent in the currency required hereunder and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;
- (iii) the Substitute Debtor has agreed to indemnify and hold harmless each Noteholder against any tax, duty, assessment or governmental charge imposed on such Noteholder in respect of such substitution;
- (iv) the Issuer and/or the Guarantor (except in the case that the Guarantor itself is the Substitute Debtor) irrevocably and unconditionally guarantees in favour of each Noteholder the payment of all sums payable by the Substitute Debtor in respect of the Notes on terms which ensure that each Noteholder will be put in an economic position that is at least as favourable as that which would have existed if the substitution had not taken place.

For purposes of this Condition 12, “**Affiliate**” shall mean any affiliated company (*verbundenes Unternehmen*) within the meaning of § 15 German Stock Corporation Act (*Aktiengesetz*).

- (b) *Notice and Effectiveness of Substitution.* Notice of any such substitution shall be published in accordance with Condition 13 without delay. Upon such Notice, the substitution shall become effective, and the Issuer, and in the event of any repeated application of this Condition 12, any previous Substitute Debtor, shall be discharged from any and all obligations under the Notes. In the event of such substitution, the stock exchange(s), if any, on which the Notes are then listed will be notified and a supplemental Prospectus describing the Substitute Issuer will be prepared.
- (c) *Change of References.* In the event of any such substitution, any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor. Furthermore, in the event of such substitution the following shall apply:
 - (i) in Condition 7 and Condition 6(b) an alternative reference to the Federal Republic of Germany shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor;
 - (ii) in Condition 9(a) (iii) to (v) an alternative reference to the Issuer in its capacity as guarantor shall be deemed to have been included in addition to the reference to the Substitute Debtor; and
 - (iii) in Condition 9(a) a further event of default shall be deemed to have been included; such event of default shall exist in the case that the guarantee pursuant to subparagraph (a)(iv) above is or becomes invalid for any reason.

13. Notices

- (a) *Publication.* Notices to Noteholders relating to the Notes will be published in a leading newspaper having general circulation and being a newspaper for statutory stock market notices of the Stock Exchange on which the Notes are listed, and in any case in accordance with the rules of each stock exchange on which the Notes are listed. The Issuer shall also ensure that notices are duly published in compliance with the requirements of the relevant authority of each stock exchange on which the Notes are listed. **[in the case of a listing at the Frankfurt Stock Exchange insert:** So long as the Notes are

listed on the Frankfurt Stock Exchange and the rules of the Frankfurt Stock Exchange so require, notices to the Noteholders shall be published in at least one national newspaper recognised (*überregionales Börsenpflichtblatt*) by the Frankfurt Stock Exchange (expected to be the *Börsen-Zeitung*.)] **[in the case of a listing at the Luxembourg Stock Exchange insert:** So long as the Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, notices to the Noteholders shall be published in a daily newspaper with general circulation in Luxembourg (which is expected to be the *d'Wort*.)] Any notice so given will be deemed to have been validly given on the date of first such publication.

- (b) *Notification to the Clearing System.* The Issuer may, in lieu of publication in the newspapers set forth in Condition 13(a) above, deliver the relevant notice to the Clearing System, for communication by the Clearing System to the Noteholders, provided that, so long as any Notes are listed on any stock exchange, the rules of such stock exchange permit such form of notice. Any such notice shall be deemed to have been given to the Noteholders on **[if “Clearing System Delivery Period – Applicable” is specified in the applicable Final Terms, insert:** the fourth day after the day on which the notice was given to the Clearing System] **[if “Clearing System Delivery Period – Not Applicable” is specified in the applicable Final Terms, insert:** the day on which the notice was given to the Clearing System] **[if otherwise specified in the applicable Final Terms, insert:** the [●]th day after the day on which the said notice was given to the Clearing System].

14. Meetings of Noteholders, Modification and Waiver

- (a) *Meetings of the Noteholders.* With regard to matters affecting the interests of the Issuer or the Noteholders in relation to the Notes (especially for modifications of the Terms and Conditions), the Issuer may convene meetings of Noteholders (the “**Noteholders’ Meeting**”). A Noteholders’ Meeting may be called following a request by
- (i) the Issuer;
 - (ii) the Guarantor; or
 - (iii) Noteholders holding not less than 5% in the aggregate principal amount of a Tranche or Series of Notes for the time being outstanding.

The costs for convening and holding a Noteholders’ Meeting shall be borne by the Issuer.

In order to be effective, the calling of a Noteholders’ Meeting requires that the invitation to the Noteholders (the “**Invitation**”):

- (i) is published at least **30** days prior to the day of the scheduled meeting (the “**Meeting Day**”) in accordance with Condition 13; and
- (ii) the invitation at least includes information regarding the purpose of the Noteholders’ Meeting and an announcement of all items on which decisions shall be made in the Noteholders’ Meeting.

For decisions of the Noteholders, each Note grants one vote. The right to vote is subject to the relevant Noteholder having, at the beginning of the Noteholders’ Meeting, presented a confirmation of its Custodian Bank as per the Meeting Day which includes (A) the complete name and full address of the Noteholder, (B) the aggregate principal amount of notes which have been, as of the date of such confirmation, booked to the account of such Noteholder, and (C) a confirmation that the Custodian Bank has made a written declaration to the Clearing System including the information mentioned under (A) and (B) before (the “**Custodian Bank Confirmation**”). Voting rights may also be executed by a proxy having presented a written power of attorney from the relevant Noteholder together with a Custodian Bank Confirmation within the meaning as set out above at the beginning of the Noteholders’ Meeting to the Issuer. No voting rights shall attach to the Notes which are held by the Issuer or the Guarantor themselves or by any affiliated company of the Issuer or the Guarantor.

Resolutions of the Noteholders’ Meeting must establish the same rights and obligations for all Noteholders. As a matter of principle, they will be made with a simple majority of the votes cast, unless

the resolutions are made with regard to a waiver or restriction of rights to which the Noteholders are entitled under the Terms and Conditions. In such case, a resolution requires a majority

- (i) of 75% of the votes cast; and
- (ii) of 50% of the outstanding aggregate principal amount the Tranche or Series of Notes being subject to the Noteholders' Meeting.

If a resolution within the aforesaid meaning only achieves the majority required under subparagraph (i) above, the Issuer may, if the Noteholders with a simple majority of the votes cast adopt a corresponding resolution, bring about a new resolution in a further Noteholders' Meeting, provided that

- (i) such further Noteholders' Meeting may not be held earlier than 90 days after the day of the first meeting; and
- (ii) a majority of 75% of the votes cast shall be sufficient on such further Noteholders' Meeting.

Resolutions which have been adopted by a Noteholders' Meeting have to be published by the Issuer within 7 days after the relevant Meeting in accordance with Condition 13.

(b) *Modification of Rights.* The Issuer may, without the consent of the Noteholders, agree to:

- (i) any modifications of the Agency Agreement which are not materially prejudicial to the interests of the Noteholders;
- (ii) modifications to the Terms and Conditions in order to reflect any changes in an Underlying (to the extent they have an effect on these Terms and Conditions) or to cure any inconsistencies or add any missing provisions provided that such amendment or modification is, having regard to the interests of the Issuer, not materially detrimental to the economic position of the Noteholders;
- (iii) modifications of the Terms and Conditions or the Agency Agreement which are of a formal, minor or technical nature or which are made to correct a manifest error or to comply with mandatory provisions of the laws of the jurisdictions in which the Issuer and/or the Guarantor are organized.

Any such modification shall be binding on all Noteholders and shall be notified to them without undue delay in accordance with Condition 13.

(c) *Changes to the Terms and Conditions with the Consent of all Noteholders*

Notwithstanding the other provisions of this Condition 14, the Issuer may change any of the Terms and Conditions provided that it has received the prior written consent of all the holders of the Notes. Any such change shall become effective once a notice confirming such change (together with an amended version of the Conditions) has been published to the Noteholders in accordance with Condition 13.

15. Further Issues

The Issuer reserves the right from time to time, without the consent of the Noteholders to issue additional notes with identical terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest, if any, on them) so as to be consolidated and form a single Series with such Notes. The term "Notes" shall, in the event of such further issue, also comprise such further notes.

16. Adjustments and Disruption

The Technical Annex will (where stated to be applicable in the relevant Final Terms) contain provisions relating to adjustments with respect to Underlyings (as defined in the Technical Annex) as well as settlement disruption and market disruption in respect of such Underlyings (including, without limitation and where necessary, appropriate definitions of Potential Adjustment Events, Settlement Disruption Events and Market Disruption Events and details of the consequences of such events).

17. **Governing Law and Submission to Jurisdiction; Miscellaneous Provisions**

- (a) *Applicable Law.* The form and content of the Notes as well as all the rights and duties arising therefrom shall be governed exclusively by the laws of the Federal Republic of Germany. The form and content of the Guarantee as well as all the rights and duties arising therefrom shall be governed exclusively by the laws of France.
- (b) *Submission to Jurisdiction.* Non-exclusive court of venue for all litigation with the Issuer arising from the legal relations established in these Conditions is Frankfurt am Main. Place of performance is Frankfurt am Main. The jurisdiction of such Court shall be exclusive if proceedings are brought by merchants (*Kaufleute*), legal persons under public law (*juristische Personen des öffentlichen Rechts*), special funds under public law (*öffentlich-rechtliche Sondervermögen*) and persons not subject to the general jurisdiction of the courts of the Federal Republic of Germany (*Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland*).
- (c) *Annulment.* The courts in the Federal Republic of Germany shall have exclusive jurisdiction over the annulment of lost or destroyed Notes.
- (d) *Severability.* Should any provision of these Terms and Conditions be or become void, the other provisions shall remain in force. Such provisions as are void or cannot be given effect shall be replaced in accordance with the meaning and purpose of these Terms and Conditions.
- (e) *Language.* These Terms and Conditions are written in the English language only. Only the English text shall be controlling and binding.

PART B – TECHNICAL ANNEX

The following shall, if stated to be applicable in the applicable Final Terms, comprise together with section "Part A – Basic Terms" commencing on page 66 hereof the Terms and Conditions of the Notes as completed, modified, supplemented or replaced by the applicable Final Terms, which together with the terms and conditions will apply to the Notes to be issued under the Programme.

This Technical Annex shall apply to any Notes if so specified in the applicable Final Terms.

The payment of principal and/or interest in respect of the Notes subject to the Technical Annex will be determined or calculated by reference to an index and/or a formula based on or referring to one or more underlying (for purposes of this Technical Annex "**Underlying**" and together comprising a "**Basket**" as the case may be as specified in the Final Terms).

An Underlying may be a share in a company, any other equity or non equity security, a currency or currency exchange rate, an interest rate, a credit risk, a fund unit, a share of an investment company, a term deposit, a life insurance contract, a loan, a commodity, a futures contract, an event not linked to the Issuer or the Guarantor or any other factor, a basket thereof or any combination thereof, each as specified in the applicable Final Terms.

This Technical Annex contains technical provisions relating inter alia to the adjustments to be made by the Calculation Agent or to the way a market disruption event that may affect an Underlying will be treated in the context of the Notes, or to mathematical formulas used to calculate amounts due under the Notes when the Underlying is an index, a share or a fund unit or a share of an investment company or a commodity.

The technical provisions relating to the other types of Underlying mentioned above shall be described in the Final Terms applicable to the relevant Notes.

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Part 1 - DEFINITIONS RELATING TO SHARES, INDICES, FUNDS

I. Common definitions and provisions for Shares and Indices

Averaging Date means, in respect of a Valuation Date and a Share or an Index, each date specified as such in the applicable Final Terms for the purpose of determining an average (or if such date is not an Exchange Business Day, the next following Exchange Business Day), unless there is a Market Disruption Event on that day in respect of such Share or Index in which case it shall be postponed pursuant to the provisions of Consequence of Market Disruption Event for a Share or an Index.

Closing Price means:

- (i) in respect of a Share:
 - (A) if such Share is traded on the Tokyo Stock Exchange or the Osaka Securities Exchange, the closing price of such Share or, if such closing price is unavailable on the relevant date, the last traded price quoted on the Exchange provided however that such last traded price occurs at the end of a regular afternoon trading session; notwithstanding anything contained in the Market Disruption Event definition, if no closing price is published, a Market Disruption Event will be deemed to occur if the last traded price is not quoted during the one-half hour period preceding the end of the regular afternoon trading session;
 - (B) if such Share is traded on the Italian Stock Exchange, the *Prezzo di Riferimento*, which means the price as published by the Italian Stock Exchange at the close of trading and having the meaning ascribed thereto in the Rules of the Markets Organised and Managed by the Italian Exchange, as such Rules may be amended by Borsa Italiana S.p.a. from time to time;
 - (C) in any other case, the official closing price of such Share on the relevant Exchange.
- (ii) in respect of an Index, the official closing level of the Index published and announced by the Index Sponsor,
in either case as adjusted (if applicable) pursuant to the provisions of Part 2 below.

Consequences of Market Disruption Event for a Share or an Index

In the case of a Market Disruption Event occurring on an Exchange Business Day scheduled to be a Valuation Date or an Averaging Date, and affecting a Share or an Index (the **Affected Share** or the **Affected Index**), the Valuation Date or the Averaging Date for each Share or Index not affected by a Market Disruption Event shall be the scheduled Valuation Date or the scheduled Averaging Date, and the Valuation Date or the Averaging Date for each Affected Share or each Affected Index shall be the first succeeding Exchange Business Day on which there is no Market Disruption Event relating to that Affected Share or Affected Index, unless there is a Market Disruption Event relating to that Affected Share or Affected Index on each of the five Exchange Business Days immediately following the scheduled Valuation Date or the scheduled Averaging Date. In that case:

- (i) that fifth Exchange Business Day shall be deemed to be the Valuation Date or Averaging Date, for the Affected Share or Affected Index notwithstanding the Market Disruption Event, and
- (ii) the Calculation Agent shall determine its good faith estimate of the Exchange traded price for that Affected Share or Affected Index that would have prevailed but for that Market Disruption Event as of the Valuation Time on that fifth Exchange Business Day and the Closing Price shall be deemed to be such good faith estimate of the Calculation Agent;

provided however that,

- (A) in case of the occurrence of a Market Disruption Event on an Averaging Date, the date to be retained as a valid Averaging Date will be the immediately following Exchange Business Day

on which there is no Market Disruption Event *and* on which another Averaging Date in relation to the relevant Valuation Date does not or is not deemed to occur provided however that if on the fifth Exchange Business Day following the scheduled Averaging Date a Market Disruption Event is still continuing it shall be treated as mentioned above in (i) (i.e. irrespective of whether that fifth Exchange Business Day is already an Averaging Date); and

- (B) notwithstanding the foregoing, a Valuation Date or an Averaging Date shall occur not later than four Business Days before the date of any payment to be made on the basis of determinations made on such Valuation Date or Averaging Date; in such case the Calculation Agent shall determine its good faith estimate of the Exchange traded price for that Affected Share or Affected Index that would have prevailed but for that Market Disruption Event at the latest as of the Valuation Time on such fourth Business Day and the Closing Price shall be deemed to be such good faith estimate of the Calculation Agent;

Exchange(s) means, in respect of a Share or an Index, the corresponding exchange or quotation system specified in the applicable Final Terms, or any successor exchange or quotation system.

Fx Rate means, in respect of a date, the currency exchange rate of one currency against another currency, as specified in the Final Terms, quoted by the relevant exchange rate provider on such date, as ascertained by Société Générale on the Reuters Page specified in the Final Terms. If such Fx Rate cannot be or ceases to be determined, then the Calculation Agent shall select another Reuters page or determine in good faith such exchange rate by reference to such sources as it may select in its absolute discretion.

Index means the index specified as such in the applicable Final Terms.

Market Disruption Event means:

- (i) in respect of an Index, the occurrence or existence on any Exchange Business Day during the one-half hour period that ends at the relevant Valuation Time, of any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise), (a) on the relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index, or (b) in options contracts or futures contracts on the relevant Index on any Related Exchange if, in any such case, such suspension or limitation is, in the determination of the Calculation Agent, material. For the purposes of determining whether a Market Disruption Event exists at any time, if trading in a security included in the Index is materially suspended or materially limited at that time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (a) the portion of the level of the Index attributable to that security relative to (b) the overall level of the Index, in each case immediately before that suspension or limitation; and
- (ii) in respect of a Share, the occurrence or existence on any Exchange Business Day during the one-half hour period that ends at the relevant Valuation Time of any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant Exchange or otherwise) in (a) the Share on the Exchange or (b) any options contracts or futures contracts relating to the Share on any Related Exchange if, in any such case, that suspension or limitation is, in the determination of the Calculation Agent, material.

Related Exchange(s) means, in respect of a Share or an Index, the relevant exchange, quotation system or market, if any, on which options or futures contracts on such Share or Index are traded or quoted or any successor thereto as may be determined from time to time by the Calculation Agent.

Share means a share or other security specified as such in the applicable Final Terms.

Valuation Date means, in respect of a Share or an Index, each date specified as such in the applicable Final Terms (or, if such date is not an Exchange Business Day for such Share or Index, the next following Exchange Business Day), unless there is a Market Disruption Event on that day in respect of such Share or Index in which case it shall be postponed pursuant to the provisions of Consequence of Market Disruption Event for a Share or an Index.

Valuation Time means, in respect of a Share or an Index, the time at which the Closing Price is announced and published.

II. Definitions specific to Shares

Company means, in respect of a Share, the issuer of such Share.

Exchange Business Day means in respect of a Share (or, if applicable, each Share comprised in the Basket and observed separately (in the case of a Basket of Shares)), any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a trading day on the relevant Exchange and Related Exchange corresponding to the relevant Share notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

Scheduled Closing Time means, in respect of an Exchange or Related Exchange, the scheduled weekday closing time of such Exchange or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours.

Share(s) means a share of the Company the name of which appears in the applicable Final Terms, subject to adjustment pursuant to the provisions of "Adjustments and Extraordinary Events relating to Shares" (below).

Share Price means in respect of a Share, the price of such Share on the relevant Exchange at any time during a trading session on an Exchange Business Day, including the Closing Price.

III. Definitions specific to Indices

Exchange Business Day means in respect of an Index (or, if applicable, each Index comprised in the Basket and observed separately (in the case of a Basket of Indices)), any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which the Index Sponsor calculates and publishes the Closing Price of the Index and a trading day on the relevant Related Exchange corresponding to the relevant Index notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time.

Index(ices) means an index the name of which appears in the applicable Final Terms, subject to adjustment pursuant to the provisions of "Adjustments to Indices" (below).

Index Price means in respect of an Index, the level of such Index on the relevant Exchange at any time during a trading session on an Exchange Business Day including the Closing Price.

Index Sponsor means the corporation or other entity (as specified applicable Final Terms) that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the relevant Index and (b) announces (directly or through an agent) the level of the relevant Index on a regular basis during each Exchange Business Day.

Scheduled Closing Time means, in respect of a Related Exchange, the scheduled weekday closing time of such Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours.

IV. Definitions and provisions specific to Funds

Averaging Date means, when used in respect of a Fund, in respect of each Valuation Date, each date specified as such in the applicable Final Terms for the purpose of determining an average (or if such date is not a Fund Business Day, the next following Fund Business Day).

Consequences of (i) a non-occurrence of a Fund Business Day or (ii) the occurrence of a Market Disruption Event for a Fund:

- (i) If a Valuation Date and/or an Averaging Date is not a Fund Business Day and no Fund Business Day occurs for a period of ten consecutive calendar days following such Valuation Date and/or such Averaging Date for a reason other than the occurrence of a Market Disruption Event; or
- (ii) If on the Publication Day related to a subscription or redemption order given by the Calculation Agent on a Valuation Date or an Averaging Date (the **Initial Publication Day**), a Market Disruption Event has occurred, the determination of the Net Asset Value of the relevant Fund shall be postponed to the

first Publication Day immediately following the Initial Publication Day no longer affected by the Market Disruption Event, unless there is a Market Disruption Event on each of the five Publication Days following the Initial Publication Day or such fifth Publication Day has not occurred thirty-five (35) consecutive calendar days following the Initial Publication Day,

then the Calculation Agent shall determine its good faith estimate of the net asset value per Unit of such Fund which shall be deemed to be the Net Asset Value of the relevant Fund, provided however that, notwithstanding the foregoing, such determination made by the Calculation Agent shall occur not later than four Business Days before the date of any payment to be made on the basis of determinations on such Valuation Date or Averaging Date.

Fund means the entity, trust or other form of collective investment scheme specified as such in the applicable Final Terms and described in the relevant Fund Prospectus.

Fund Business Day means, in respect of each Fund observed separately, a day on which subscription and/or redemption orders given by the Calculation Agent for the Unit of a Fund are recorded by the Fund, or the Fund's administrator, registrar or manager, or any entity in charge of receiving redemption and subscription orders relating to the Units of the Fund in accordance with the terms of the Fund Prospectus.

Fund Prospectus means, in respect of a Fund, the document describing such Fund and providing, *inter alia*, for the subscription and redemption process in respect of the Units of such Fund and the rights attached to such Units, as such document may be supplemented and amended from time to time.

Market Disruption Event means, in respect of each Fund observed separately, on a Publication Day related to a subscription or redemption order given by the Calculation Agent on a Valuation Date or an Averaging Date, the occurrence of an event beyond the control of the Calculation Agent which precludes the calculation, or causes the suspension or the limitation of the publication of the net asset value per unit of a Fund.

Net Asset Value ("NAV") means, in respect of a Fund, the net asset value per Unit of such Fund as calculated or settled from time to time by the manager of the relevant Fund. In case of partial execution of a subscription or a redemption order given by the Calculation Agent, the Calculation Agent will retain the weighted average of the executed orders of all the partial Net Asset Value in its calculation, as adjusted (if applicable) pursuant to the provisions of Part 2 below.

Publication Day means a day on which the Net Asset Value of the Fund (on the basis of which a subscription or a redemption order may be executed) is scheduled to be published by the manager of the Fund pursuant to the Fund Prospectus.

Unit means, in respect of a Fund, a share or unit of such Fund.

Valuation Date means, in respect of a Fund, each date specified in the applicable Final Terms (or, if such date is not a Fund Business Day, the next following Fund Business Day).

Part 2 - "ADJUSTMENTS" RELATING TO SHARES - INDICES - FUNDS

I. Adjustments and Extraordinary Events relating to Shares

A. Potential Adjustment Events

Potential Adjustment Event means, in relation to a Share, any of the following:

- (i) a subdivision, consolidation or reclassification of such Share (unless resulting in a Merger Event) including, for the avoidance of doubt, a stock split or reverse stock split, or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution or dividend to existing holders of such Share of (a) such Shares or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Shares or other assets (c) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent;

- (iii) an extraordinary dividend;
- (iv) a call by the Company in respect of Shares that are not fully paid;
- (v) a repurchase by the Company of Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
- (vi) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the Shares.

Following the occurrence of any Potential Adjustment Event as defined above, the Calculation Agent will, as soon as reasonably practicable after it becomes aware of such event determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Share and, if so, will (a) calculate the corresponding adjustment, if any, to be made to the elements relating to the relevant Share used to determine any settlement or payment terms under the Notes and/or any other terms of the Notes as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Notes and (b) determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by a Related Exchange to options on the Share traded on such Related Exchange.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 13 setting out the adjustment to the terms of the Notes and giving brief details of the Potential Adjustment Event.

B. Extraordinary Events

- (i) Upon the occurrence, in the determination of the Calculation Agent, on or prior to the last Valuation Date or the last Averaging Date of an Offering Period relating to a Merger Event, a De-listing Event, a De-merger Event, an Insolvency, a Nationalisation or a Participation Event or the opening of an Offering Period in relation to such events, in respect of a Share (an **Affected Share**), then during such Offering Period, the Calculation Agent may decide in good faith to apply Method of Substitution with respect to the Affected Share.
- (ii) If the Calculation Agent decides not to apply Method of Substitution during the Offering Period with respect to the Affected Share, then:
 - (A) in respect of a Merger Event, from the Merger Date, and/or upon consummation of the Merger Event, until the sixtieth Business Day thereafter, the Calculation Agent, acting in good faith, shall apply:
 - (a) Share-for-Share: Alternative Obligation and/or Method of Substitution, or Early Redemption;
 - (b) Share-for-Other: Alternative Obligation and/or Method of Substitution, or Early Redemption;
 - (c) Share-for-Combined: Alternative Obligation and/or Method of Substitution, or Early Redemption;
 - (B) in the case of a Merger Event affecting two Shares comprised in a Basket, the Calculation Agent will either:
 - (a) continue with the share resulting from the Merger Event and in order to maintain the original number of listed Companies, a Substitute Share will be elected and included in the Basket; or
 - (b) substitute both Shares with two Substitute Shares selected as described in the Method of Substitution;

(C) in respect of a De-merger Event, from the De-merger Date, and/or upon consummation of the De-merger Event, until the sixtieth Business Day thereafter, the Calculation Agent, acting in good faith, will either:

- (a) replace the Affected Share with the shares of the successor Companies; or
- (b) substitute one or more share(s) resulting from such De-merger Event pursuant to the Method of Substitution,

it being understood that, in the case of a Basket, the Calculation Agent shall maintain the initial number of listed Companies and that in the case where the Calculation Agent has elected to substitute the Affected Share with several shares resulting from such De-merger Event, such shares shall be placed in a sub-basket and considered as one component of the Basket;

(D) in respect of a De-listing Event or a Nationalisation, from the effective date of such event, until the sixtieth Business Day thereafter, the Calculation Agent, acting in good faith, may, but is not obliged to, apply the Method of Substitution;

(E) in respect of an Insolvency, the Calculation Agent will decide, either that:

- (a) the Affected Share will be substituted pursuant to the Method of Substitution; or
- (b) the value of the relevant component in the formula used to determine the amount to be paid or whether a condition has occurred, if any, as described in the applicable Final Terms, representing the Affected Share will be accounted by the Calculation Agent for its fair market value determined at any time as from the date of occurrence of such Insolvency until the last Valuation Date or the last Averaging Date. The determination of the fair market value shall depend upon the liquidity of the market and the trading conditions relating to the Share affected at the time of calculation; and

(F) in respect of a Participation Event, the Calculation Agent may, but is not obliged to, select a Substitute Share for the Affected Share pursuant to the Method of Substitution.

(iii) Notwithstanding anything herein to the contrary, the Calculation Agent shall use its reasonable endeavours at all times to maintain the original number of listed companies as Companies hereunder.

Definitions applicable to this section B - Extraordinary Events

Alternative Obligation means:

- (i) if, in respect of a Share-for-Share Merger Event, the Calculation Agent decides to apply Alternative Obligation, then on or after the relevant Merger Date the New Shares and the issuer of such New Shares will be deemed the **Shares** and the **Company**, respectively, and, if necessary, the Calculation Agent will adjust any relevant terms of the Notes on the basis of the number of New Shares (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) to which a holder of the relevant number of Shares immediately prior to the occurrence of the Merger Event would be entitled upon consummation of the Merger Event;
- (ii) if, in respect of a Share-for-Other Merger Event, the Calculation Agent decides to apply Alternative Obligation, then on or after the relevant Merger Date, the Calculation Agent will adjust any relevant terms of the Notes on the basis of the amount of Other Consideration (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) to which a holder of the relevant number of Shares would be entitled upon consummation of the Merger Event and, if necessary, any relevant terms of the Notes; and
- (iii) if, in respect of a Share-for-Combined Merger Event, the Calculation Agent decides to apply Alternative Obligation, then on or after the Merger Date the New Shares and the Other Consideration

(as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) will be deemed the **Shares** and the issuer of the New Shares and of the Other Consideration (if any) will be deemed the **Company** respectively, and, if necessary, the Calculation Agent will adjust any relevant terms of the Notes on the basis of the number of New Shares and the amount of Other Consideration (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) to which a holder of the relevant number of Shares would be entitled upon consummation of the Merger Event.

Combined Consideration means New Shares in combination with Other Consideration.

De-listing Event means, in respect of a Share, that, such Share: (a) is de-listed from the relevant Exchange or (b) is de-listed from the relevant listing compartment of the relevant Exchange or (c) ceases to be quoted on any other recognised exchange or (d) has its listing maintained in inappropriate conditions in the opinion of the Calculation Agent (such conditions to include, without limitation, a lack of liquidity or the disappearance of the relevant future and/or option contract of the relevant Share).

De-merger Event means, in respect of any Share, that the Company relevant to such Share is affected by a de-merger including, without limitation, a spin off, *scission* or any operation of a similar nature.

De-merger Date means the date on which a De-merger Event becomes effective.

Early Redemption means that there will be an Early Redemption of the Notes on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.

Fixing Period means the period subject to a maximum of ten Exchange Business Days, which shall expire no later than 90 Business Days following the Merger Date, the De-merger Date or the effective date of the De-listing Event, Nationalisation, Insolvency or Participation Event) during which:

- (i) the Calculation Agent sells the Affected Shares, the New Shares and/or the Other Consideration, (as the case may be), on the basis of the arithmetic mean of the closing prices of the relevant assets, as observed during such Fixing Period; and
- (ii) the proceeds of such sale are re-invested in the Substitute Shares and/or New Shares accordingly during the said Fixing Period on the basis of the arithmetic mean of the closing prices of such Substitute Shares and/or New Shares, as observed during such Fixing Period.

Insolvency means, in respect of a Company, voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of, or any analogous proceeding affecting, such Company, as determined in good faith by the Calculation Agent.

Merger Date means in respect of a Share, the date upon which holders of the necessary number of the relevant Shares (other than, in the case of a takeover offer, Shares owned or controlled by the offeror) to constitute a Merger Event have agreed or have irrevocably become obliged to transfer their Shares.

Merger Event means in respect of any Share:

- (i) any reclassification or change of such Share (including the change of currency reference of the Share) that results in a transfer of or an irrevocable commitment to transfer all or part of such Share outstanding to another entity or person; or
- (ii) any consolidation, amalgamation, merger or binding share exchange of the relevant Company with or into another entity (other than a consolidation, amalgamation or merger in which such Company is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding);
- (iii) other take-over offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain between 10 per cent. and 100 per cent. of the outstanding Shares that results in a transfer of or an irrevocable commitment to transfer all or part of such Shares (other than any of such Shares owned or controlled by the offeror); or

- (iv) any consolidation, amalgamation, merger or binding share exchange of the relevant Company or its subsidiaries with or into another entity in which such Company is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event.

Method of Substitution means that in the case of a Merger Event, De-listing Event, De-merger Event, Nationalisation, Insolvency or Participation Event (regardless of the consideration to be received), in respect of an Affected Share, the Calculation Agent may consider that the Affected Share, the New Shares and/or, all or part of the Other Consideration (as the case may be) is/are converted into cash and that the proceeds will be reinvested either (a) into a new share of the same economic sector or into a share issued by a company of a similar international standing or creditworthiness as the Company related to the Affected Share (a **Substitute Share**) or (b) in the case of Combined Consideration into New Shares. In the event of Other Consideration to be received in cash, in the future, the Calculation Agent may consider that the cash to be received in the future is discounted in order to immediately re-invest the proceeds then procured in accordance with paragraphs (i) and (ii) above.

The sale of the Affected Share, the New Shares and/or the Other Consideration shall be deemed to take place during the Fixing Period. The Substitute Share and the company issuing such Substituted Share will be deemed a **Share** and the **Company** respectively, and the Calculation Agent will adjust any relevant terms of the Notes.

For information purposes, it is understood that in all cases described herein where a Share is substituted, on any date “t”, with a Substitute Share, the value of the relevant component in the formula used to determine the amount to be paid as described in the applicable Final Terms, shall not be affected by the substitution on such date “t” in respect of the Substitute Share and would mean the closing price of such Substitute Share on the relevant Exchange on the date “t” is weighted by an appropriate linking coefficient so that it is equal to the closing price of the Affected Share on such date “t”.

Nationalisation means that all the Shares or all or substantially all of the assets of a Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

New Shares means shares (whether of the offeror or a third party) that are listed or quoted on a recognised exchange as determined by the Calculation Agent.

Offering Period means the period from and including the date on which the Merger Event, the De-listing Event, De-merger Event, Insolvency, Nationalisation or Participation Event is publicly and officially announced to but excluding the Merger Date or De-merger Date or the effective date of the De-listing Event, Insolvency or Nationalisation.

Other Consideration means cash and/or any securities (other than New Shares) or assets (whether of the offeror or a third party).

Participation Event means that a Company (whose Shares form part of a Basket) takes a stake exceeding 20 per cent. of the equity capital of another Company whose Shares also form part of the Basket.

Share-for-Combined means, in respect of a Merger Event, that the consideration for the relevant Shares consists of Combined Consideration.

Share-for-Other means, in respect of a Merger Event, that the consideration for the relevant Shares consists solely of Other Consideration.

Share-for-Share means, in respect of a Merger Event, that the consideration for the relevant Shares consists (or, at the option of the holder of such Shares, may consist) solely of New Shares.

C. Correction of the Closing Price of a Share

In the event that any price or level published on the Exchange and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published and made

available to the public by the Exchange after the original publication but no later than four Business Days prior to the Maturity Date (or any payment date(s) determined in the applicable Final Terms), the Calculation Agent will determine the amount that is payable as a result of that correction, and, to the extent necessary, will adjust the terms of the Notes to account for such correction.

II. Adjustments to Indices

A. *Adjustments*

(i) If an Index is:

- (A) not calculated and announced by the relevant Index Sponsor but is calculated and announced by a relevant successor sponsor (the **Successor Sponsor**) acceptable to the Calculation Agent; or
- (B) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for, and method of, calculation as used in the calculation of that Index,

then the Index will be deemed to be the index so calculated and announced by the relevant Successor Sponsor or that successor index (as the case may be).

(ii) If, in the determination of the Calculation Agent:

- (A) on or prior to a Valuation Date or an Averaging Date, the relevant Index Sponsor (or if applicable the Successor Sponsor) makes a material change in the formula for, or the method of calculating, that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent securities and capitalisation and other routine events);
- (B) on any Valuation Date or Averaging Date, the relevant Index Sponsor (or, if applicable, the relevant Successor Sponsor) fails to calculate and publish the level of the Index; or
- (C) the Index Sponsor (or, if applicable, the Successor Sponsor) permanently cancels the Index and no successor Sponsor exists,

then the Calculation Agent shall either calculate the relevant formula used to determine an amount to be paid or whether a condition has occurred, if any, as described in the applicable Final Terms using, *in lieu* of a published level for the Index, the level of that Index as at the Valuation Time on the relevant Valuation Date or Averaging Date, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to that change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that change, failure or cancellation (other than those securities that have since ceased to be listed on any relevant Exchange) or replace the Index by a new index provided that such index is (a) representative of the same economic or geographic sector (as the case may be), and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries.

(iii) If an Index merges with another index or if an Index which forms part of the Basket merges with another index which does not form part of the Basket, the Calculation Agent may, but is not obliged to:

- (A) continue using the index resulting from the merger; or
- (B) replace the Index with another index (the **New Index**); as long as the **New Index** is (a) representative of the same economic or geographic sector (as the case may be) and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries.

(iv) In the case of a merger affecting two Indices comprised in a Basket, the Calculation Agent will either:

- (A) continue using the index resulting from the merger and, in order to maintain the same number of indices within the Basket, the Calculation Agent will select a further index (a **New Index**)

to be included in the Basket, as long as such New Index is (a) representative of the same economic or geographic sector (as the case may be) and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries; or

- (B) replace both Indices with two other indices (each a **New Index**); as long as each New Index is (a) representative of the same economic or geographic sector (as the case may be) and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries.
- (v) If an Index is split into two or more new indices, the Calculation Agent shall, either:
- (A) use the indices resulting from the split to determine an index equivalent to the one existing prior to the split (provided that the indices resulting from the split will be deemed to form together the **New Index**); or
 - (B) replace the split Index with a new index (a **New Index**) as long as such New Index is (a) representative of the same economic or geographic sector (as the case may be), and (b) to the extent possible representative of shares listed on one or more Exchanges of one or more OECD countries.
- (vi) In the case of a Basket of Indices, in the event that shares forming part of one Index comprising the Basket represent at least 20 per cent. of the capitalisation of another Index forming part of the Basket (the **Affected Index**), the Calculation Agent may, but is not obliged to, replace such Affected Index with a new index as long as such new index is (a) representative of the same economic or geographic sector (as the case may be), and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries.
- (vii) In the event that an Index ceases to be the underlying of a futures and/or option contract (as the case may be), the Calculation Agent may, but is not obliged to, replace such Index with a new index as long as such new index is (a) representative of the same economic or geographic sector (as the case may be), and (b) to the extent possible, representative of shares listed on one or more Exchanges of one or more OECD countries.
- (viii) If no index meeting the criteria (a) and (b) described in the Adjustments can be selected by the Calculation Agent, then the Issuer shall terminate its obligations under the Notes and pay to each Noteholder, as soon as possible after the occurrence of the event giving rise to the relevant adjustment, an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions.

B. Correction of the Closing Price of an Index

In the event that any price or level published on the Exchange or by the Index Sponsor and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published and made available to the public by the Exchange or the Index Sponsor after the original publication but no later than four Business Days prior to the Maturity Date (or any payment date(s) determined in the applicable Final Terms), the Calculation Agent will determine the amount that is payable as a result of that correction, and, to the extent necessary, will adjust the terms of the Notes to account for such correction.

III. Adjustments and events relating to any Funds/Units

In making any adjustment or determination of any kind in respect of the events listed below, the Calculation Agent shall act in good faith.

A. Adjustments:

In the case of the occurrence at any time on or prior to a Valuation Date or Averaging Date of any event affecting a Fund or the value of any Unit including, without limitation:

- (i) a split, consolidation or reclassification of the Units, or

- (ii) a distribution in the form of dividends which does not comply with the usual dividend policy of the Fund, or
- (iii) any other event that is similar to the events described in (i) and (ii) above insofar as, in the opinion of the Calculation Agent, such events may result in a mechanical adjustment,

the Calculation Agent may adjust any relevant terms of the Notes to preserve the economic equivalent of the obligations of the Issuer under the Notes.

B. Events relating to any Fund and/or any Unit, other than those specified under paragraph A "Adjustments" above

In the case of the occurrence of:

- (i) the modification of the conditions of the Fund (including, without limitation modification of the prospectus of the Fund, an open-end fund becoming a closed-end fund, or the modification of the timeframe for the processing of the subscription and/or redemption orders) or any event or any change affecting the Fund and/or the Unit (including, without limitation interruption, breakdown, suspension or deferral of the calculation of the Net Asset Value per Unit or the disappearance of the Net Asset Value per Unit resulting more particularly from, but not limited to, the winding-up; dissolution, liquidation or the termination of the Fund or the cancellation of the registration or of the approval by any relevant authority of the Fund) and that, in the reasonable opinion of the Calculation Agent, is likely to have a significant effect on the value of the Unit; or
- (ii) the reduction of the number of Units held or likely to be held by Société Générale as unitholder of the Fund for any reason beyond Société Générale's control, or the non-execution or partial execution by the Fund for any reason of a subscription or redemption order given by Société Générale or any adverse change in taxation affecting payment made by the Fund in respect of the Units to Société Générale, or the breach by a counterparty of any of its obligations under any agreement entered into between it and Société Générale in respect of the subscription, the redemption or the holding of Units by Société Générale, or the termination of such agreement for any reason beyond Société Générale's control, or if it becomes unlawful for any party to such agreement to perform its obligations thereunder or to comply with any material provision of such agreement due to the adoption of, or any change in, any applicable law after the date hereof or due to the promulgation of, or any change in, the interpretation by any court, tribunal or regulatory authority with competent jurisdiction, of any applicable law hereafter; or
- (iii) the conversion of the Unit into another class of units or securities, or the split of the Fund, its consolidation or its merger with, or its sale or its conveyance of all or substantially all its assets to, a third party; or
- (iv) a substantial modification in the proportion of the type of assets in which the Fund invests, as determined in good faith by the Calculation Agent, which would not necessarily lead to a modification of the prospectus of the Fund; or
- (v) any event that, in the reasonable opinion of the Calculation Agent, has or is likely to have a significant effect on the conditions of the hedging arrangements (i.e. the holding by Société Générale of Units of the Fund) entered into by Société Générale to enable their offering by the Issuer; or
- (vi) a reduction of the Fund's total net assets by an amount that, in the reasonable opinion of the Calculation Agent, has or is likely to have a significant effect, on the management conditions of the Fund and/or its operating expenses,

then the Calculation Agent may:

- (a) consider such event as an event triggering an early redemption of the Notes (hereafter, an Early Redemption Event). In the case where an Early Redemption Event occurs, the Issuer shall terminate its obligations under the Notes and shall pay or cause to be paid an Early Redemption Amount on the basis of Market Value as defined in Condition 6(g) of the Terms and Conditions; or

- (b) in the case of subparagraph (iii) above only, replace the Unit by the kind and number of units or other securities and property receivable on such conversion, split, consolidation, merger, sale or conveyance by a holder of Units prior to such conversion, split, consolidation, merger, sale or conveyance for the purposes of determining the value of the Unit and make any adjustment (if necessary) to the value of such Unit; or.
- (c) replace the Unit with a unit of another fund.

Part 3 - CALCULATIONS - PHYSICAL DELIVERY

I. Calculations

A. Calculation Agent

- (i) Unless otherwise specified in the applicable Final Terms, and in respect of Notes to which this Technical Annex applies, the Calculation Agent responsible for calculating the Rate of Interest and/or the Final Redemption Amount and/or interest payable and/or the Physical Delivery Amount and/or the Early Redemption Amount shall be Société Générale, 29 boulevard Haussmann, 75009 Paris, France. The calculations and determinations of the Calculation Agent will be conclusive and binding upon the Issuer, the Guarantor, the Agent and the Noteholders, in the absence of manifest error or proven error.
- (ii) The Calculation Agent shall notify the Issuer, which shall in its turn notify the Agent and the Noteholders pursuant to the provisions of Condition 13. of the Terms and Conditions (a) of any adjustments which are substantial in the opinion of the Calculation Agent, and (b) upon the occurrence of an extraordinary event listed in this Technical Annex, of any modification of the composition of the Underlying and/or of Market Value of the Notes payable in respect thereof together with the calculation details if necessary.
- (iii) “**Business Day**” means, for the purpose of this Technical Annex, a day on which the Calculation Agent is open for business in Paris.

B. Calculation of interest where Fixed Rate Notes provisions are specified to be applicable in the applicable Final Terms and in respect of Notes to which this Technical Annex applies

If Fixed Rate Notes provisions are specified to be applicable in the applicable Final Terms, unless otherwise specified in such Final Terms, if (a) interest is not expressed as being a “per annum” rate, and (b) interest is required to be calculated for a period ending other than on an Interest Payment Date, such interest will be calculated on the basis of:

- (i) the actual number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date divided by 365 (or, if any portion of the period from, and including, the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the following (or first) Interest Payment Date (or, if none, the Maturity Date) (the **Interest Period**) falls in a leap year, the sum of (a) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365), if Part 3.I.B(i) of the Technical Annex is specified in 15(viii) of Part A of the Final terms; or
- (ii) the number of days in the period from, and including, the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360, if Part 3.I.B(ii) of the Technical Annex is specified in 15(viii) of Part A of the Final Terms; or
- (iii) the actual number of days in the period from, and including, the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the relevant payment

date divided by 360, if Part 3.1.B(iii) of the Technical Annex is specified in 15(viii) of Part A of the Final Terms; or

- (iv) the actual number of days in the period from, and including, the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to, but excluding, the relevant payment date divided by 365, if Part 3.1.B(iv) of the Technical Annex is specified in 15(viii) of Part A of the Final Terms.

II. Physical Delivery Notes

- (i) Unless otherwise specified in the applicable Final Terms, the Underlying used to determine the Physical Delivery Amount will be the Underlying(s) specified in the applicable Final Terms.
- (ii) When the settlement of a Physical Delivery Note is by way of physical delivery, the delivery will be made through Clearstream, Luxembourg or Euroclear or other relevant clearance institution (a **Clearing System**). The Transfer Notice will be delivered using the transfer procedures currently utilised by the relevant Clearing System. A Noteholder's entitlement to any Physical Delivery Amount will be evidenced by the Noteholder's account balance appearing on the records of the relevant Clearing System.
- (iii) Additional terms applicable to the settlement of the Physical Delivery Amount:
 - (A) The Physical Delivery Amount will be determined subject to the provisions in Part 1 - and Part 2 - (above) of this Technical Annex, relating to Adjustments and Market Disruption Event. If as a result of an adjustment or otherwise, the number of Underlyings to be delivered is not a whole number, any fraction thereof will be payable in cash on the basis of the value of such Underlying.
 - (B) In addition, if a Settlement Disruption Event does prevent delivery of the Physical Delivery Amount on the Maturity Date, then, such delivery shall occur on the first succeeding day on which delivery of the Physical Delivery Amount can take place through the relevant Clearing System (the **Settlement Date**) unless a Settlement Disruption Event prevents delivery for a period of 20 Clearing System Business Days immediately following the original date that would have been the Settlement Date (the **Delivery Period**). In that latter case, the Issuer shall, in lieu of delivering the Physical Delivery Amount, pay, in respect of each Note, the fair market value of the number of Underlying(s) to be delivered (the **Fair Market Value**) converted into the Specified Currency at the current Exchange Rate, if applicable. The Fair Market Value will be determined by the Calculation Agent on the basis of the market conditions on the first Business Day following the Delivery Period.
 - (C) If a dividend is paid in respect of the Underlying from and including the Valuation Date to and, as the case may be, (a) excluding the Delivery Date or (b) including, in the event of a Settlement Disruption Event, the date on which the Fair Market Value is calculated, then, the net dividend amount relating to the number of Underlying(s) to be delivered per Note (excluding any related tax credit) converted into the Specified Currency at the current Exchange Rate, if applicable, will be paid in cash to the Noteholders as soon as practicable, unless otherwise specified in the applicable Final Terms.
 - (D) All stamp duties, or other similar taxes and/or duties, in respect of physical delivery of Shares shall be borne by the Noteholders.
- (iv) As used in this paragraph:

Clearing System Business Day means, in respect of a Clearing System, any day on which such Clearing System is open for the acceptance and execution of settlement instructions.

Delivery Date means, as the case may be, (a) the Maturity Date or (b) in the event of a Settlement Disruption Event, the Settlement Date (as defined above).

Settlement Disruption Event means any event beyond the control of the Issuer as a result of which the relevant Clearing System cannot clear the transfer of the Physical Delivery Amount.

Part 4 - DEFINITIONS RELATING TO COMMODITIES

1) Commodity Reference Price

Commodity Reference Price means any of the following prices for the relevant Commodity:

AL means the settlement price per tonne of high grade Primary Aluminium at the end of the second morning ring on the LME for cash delivery, stated in USD, as determined by the LME and displayed on page “MTLE” of the Reuters Monitor Money Rates Service.

BL means the settlement price per barrel of the Brent blend crude oil on the IPE of the futures contract for delivery on the Delivery Date, stated in USD, as made public by the IPE and displayed on page “SETT” of the Reuters Monitor Money Rates Service or on the Bloomberg ticker CO1+Cmdty provided that, on any Valuation Date or Pricing Date, the Delivery Date with respect to the relevant futures contract shall mean the month of expiration of the first futures contract to expire following that date (the **First Nearby Month Futures Contract**), except that for the last day of quotation for the First Nearby Month Futures Contract the Delivery Date of the relevant futures contract shall be the month of expiration of the second futures contract to expire following that date (the **Second Nearby Month Futures Contract**) (e.g. for a Valuation Date occurring on September 30, 2005, the relevant settlement price per barrel of the Brent blend crude oil of the futures contract, stated in USD, as made public by the IPE and displayed on page “SETT” of the Reuters Monitor Money Rates Service or on the Bloomberg ticker CO1+Cmdty, shall be that of the November 05 Brent blend crude oil futures contract expiring on October 14, 2005, provided that for a Valuation Date occurring on October 14, 2005, the relevant price shall be that of the December 05 Brent blend crude oil futures contract).

CL means the settlement price per barrel of the West Texas Intermediate light sweet crude oil on the NYMEX of the futures contract for delivery on the Delivery Date, stated in USD, as made public by the NYMEX and displayed on page “SETT” of the Reuters Monitor Money Rates Service or on the Bloomberg ticker CL1+Cmdty, provided that, on any Valuation Date or Pricing Date, the Delivery Date with respect to the relevant futures contract shall mean, unless otherwise provided in the applicable Final Terms, the month of expiration of the first futures contract to expire following that date (the **First Nearby Month Futures Contract**) (e.g., unless otherwise provided in the applicable Final Terms, for a Valuation Date occurring on September 30, 2005, the relevant settlement price per barrel of the West Texas Intermediate light sweet crude oil of the futures contract, stated in USD, as made public by the NYMEX and displayed on page “SETT” of the Reuters Monitor Money Rates Service or on the Bloomberg ticker CL1+Cmdty, shall be that of the November 05 West Texas Intermediate light sweet crude oil futures contract expiring on October 20, 2005).

CU means the settlement price per tonne of copper Grade A at the end of the second morning ring on the LME for cash delivery, stated in USD, as determined by the LME and displayed on page “MTLE” of the Reuters Monitor Money Rates Service.

GL means the settlement price per metric ton of gas oil on the IPE of the futures contract for delivery on the Delivery Date, stated in USD, as made public by the IPE and displayed on page “SETT” of the Reuters Monitor Money Rates Service, provided that, on any Valuation Date or Pricing Date, the Delivery Date with respect to the relevant futures contract shall mean the month of expiration of the first futures contract to expire following that date (the **First Nearby Month Futures Contract**), except that for the last day of quotation for the First Nearby Month Futures Contract the Delivery Date of the relevant futures contract shall be the month of expiration of the second futures contract to expire following that date (the **Second Nearby Month Futures Contract**) (e.g. for a Valuation Date occurring on September 30, 2005, the relevant settlement price per metric ton of gas oil on the IPE of the futures contract, stated in USD, as made public by the IPE and displayed on page “SETT” of the Reuters Monitor Money Rates Service, shall be that of the October 05 metric ton of gas oil futures contract expiring on October 12, 2005, provided that for a Valuation Date occurring on October 12, 2005, the relevant price shall be that of the November 05 metric ton of gas oil futures contract).

GO means the morning or afternoon (as specified in the applicable Final Terms) Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorised to effect such delivery, stated in USD, as determined by the London Gold Market and displayed on page "GOFO" of the Reuters Monitor Money Rates Service.

HO means the settlement price per U.S. gallon of New York Harbor No. 2 heating oil on the NYMEX of the futures contract for delivery on the Delivery Date, stated in USD, as made public by the NYMEX and displayed on page "SETT" of the Reuters Monitor Money Rates Service, provided that, on any Valuation Date or Pricing Date, the Delivery Date with respect to the relevant futures contract shall mean, unless otherwise provided in the applicable Final Terms, the month of expiration of the first futures contract to expire following that date (the **First Nearby Month Futures Contract**) (e.g. for a Valuation Date occurring on September 30, 2005, the relevant settlement price per U.S. gallon of New York Harbor No. 2 heating oil on the NYMEX of the futures contract, stated in USD, as made public by the NYMEX and displayed on page "SETT" of the Reuters Monitor Money Rates Service, shall be that of the October 05 U.S. gallon of New York Harbor No. 2 heating oil futures contract expiring on September 30, 2005).

HU means the settlement price per U.S. gallon of New York Harbor unleaded gasoline on the NYMEX of the first nearby futures contract for delivery on the Delivery Date, stated in USD, as made public by the NYMEX and displayed on page "SETT" of the Reuters Monitor Money Rates Service, provided that, on any Valuation Date or Pricing Date, the Delivery Date with respect to the relevant futures contract shall mean, unless otherwise provided in the applicable Final Terms, the month of expiration of the first futures contract to expire following that date (the **First Nearby Month Futures Contract**) (e.g. for a Valuation Date occurring on September 30, 2005, the relevant settlement price per U.S. gallon of New York Harbor unleaded gasoline on the NYMEX of the futures contract, stated in USD, as made public by the NYMEX and displayed on page "SETT" of the Reuters Monitor Money Rates Service, shall be that of the October 05 U.S. gallon of New York Harbor unleaded gasoline futures contract expiring on September 30, 2005).

NG means the settlement price per MMBTU of natural gas on the NYMEX of the Henry Hub Natural Gas futures contract for delivery on the Delivery Date, stated in USD, as made public by the NYMEX and displayed on page "SETNGS" of the Reuters Monitor Money Rates Service, provided that, on any Valuation Date or Pricing Date, the Delivery Date with respect to the relevant futures contract shall mean, unless otherwise provided in the applicable Final Terms, the month of expiration of the first futures contract to expire following that date (the **First Nearby Month Futures Contract**) (e.g. for a Valuation Date occurring on September 30, 2005, the relevant settlement price per MMBTU of natural gas on the NYMEX of the futures contract, stated in USD, as made public by the NYMEX and displayed on page "SETT" of the Reuters Monitor Money Rates Service, shall be that of the November 05 MMBTU of natural gas futures contract expiring on October 27, 2005).

NI means the settlement price per tonne of Primary Nickel at the end of the second morning ring on the LME for cash delivery, stated in USD, as determined by the LME and displayed on page "MTLE" of the Reuters Monitor Rates Service.

PB means the settlement price per tonne of the Standard Lead at the end of the second morning ring on the LME for cash delivery, stated in U.S. dollars, as determined by the LME and displayed on page "MTLE" of the Reuters Monitor Money Rates Service.

PD means the afternoon Palladium fixing price per troy ounce gross of Palladium for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. dollars, as calculated by the LPPM and displayed on page "STBL" of the Reuters Monitor Money Rates Service.

PT means the morning or afternoon (as specified in the applicable Final Terms) Platinum fixing price per troy ounce gross of Platinum for delivery in Zurich through a member of the LPPM authorised to effect such delivery, stated in USD, as calculated by the LPPM and displayed on page "STBL" of the Reuters Monitor Money Rates Service.

SI means the Silver fixing price per troy ounce of Silver for delivery in London through a member of the LBMA authorised to effect such delivery, stated in USD, as calculated by the London Silver Market and displayed on page "SIFO" of the Reuters Monitor Money Rates Service.

ZN means the settlement price per tonne of Special High Grade Zinc at the end of the second morning ring on the LME for cash delivery, stated in USD, as determined by the LME and displayed on page "MTLE" of the Reuters Monitor Rates Service.

AL_(f), BL_(f), CL_(f), CU_(f), GL_(f), GO_(f), HO_(f), HU_(f), NG_(f), NI_(f), PB_(f), PD_(f), PT_(f), SI_(f) and ZN_(f), means respectively the Commodity Reference Price of respectively AL, BL, CL, CU, GL, GO, HO, HU, NG, NI, PB, PD, PT, SI and ZN on the Final Valuation Date.

AL_(i), BL_(i), CL_(i), CU_(i), GL_(i), GO_(i), HO_(i), HU_(i), NG_(i), NI_(i), PB_(i), PD_(i), PT_(i), SI_(i) and ZN_(i), means respectively the Commodity Reference Price of respectively AL, BL, CL, CU, GL, GO, HO, HU, NG, NI, PB, PD, PT, SI and ZN on the Initial Valuation Date.

AL_(n), BL_(n), CL_(n), CU_(n), GL_(n), GO_(n), HO_(n), HU_(n), NG_(n), NI_(n), PB_(n), PD_(n), PT_(n), SI_(n) and ZN_(n), means respectively the Commodity Reference Price of respectively AL, BL, CL, CU, GL, GO, HO, HU, NG, NI, PB, PD, PT, SI and ZN on a Valuation Date_(n).

2) Exchange and Principal Trading Markets

Exchange means any of LME, IPE, APX, COMEX, KSCBT, LBMA, LPPM, NORDPOOL, NYMEX, OMLX and SIMEX as specified in the applicable Final Terms.

APX means the Amsterdam Power Exchange N.V. or its successor.

COMEX means the Commodity Exchange Inc., New York or its successor.

IPE means The International Petroleum Exchange of London Ltd. or its successor.

KSCBT means the Kansas City Board of Trade or its successor.

LBMA means The London Bullion Market Association or its successor.

London Gold Market means the market in London on which members of the LBMA, amongst other things, quote prices for the buying and selling of Gold.

LME means the London Metal Exchange Limited or its successor.

LPPM means The London Platinum and Palladium Market or its successor.

London Silver Market means the market in London on which members of the LBMA, amongst other things, quote prices for the buying and selling of Silver.

NORDPOOL means the Nord Pool ASA (The Nordic Power Exchange) or its successor.

NYMEX means the New York Mercantile Exchange or its successor.

OMLX means the OM London Exchange Ltd. or its successor.

SIMEX means The Singapore International Monetary Exchange, Inc. or its successor.

3) Other Definitions

Barrier Level means the level specified as such in the applicable Final Terms.

Basket means a basket of commodities determined by the Calculation Agent in accordance with the formula specified in the applicable Final Terms.

Commodity means any commodity specified in the applicable Final Terms.

Commodity Business Day means a day other than a Saturday or a Sunday on which the Commodity Reference Price of the relevant Commodity is published.

Final Valuation Date means the date specified in the applicable Final Terms, subject to the definition of Valuation Date_(n).

Initial Valuation Date means the date specified in the applicable Final Terms, subject to the definition of Valuation Date_(n).

ISDA Definitions means the 1993 ISDA Commodity Derivatives Definitions (as supplemented by the 2000 Supplement) and the 1997 ISDA Bullion Definitions published by the International Swaps and Derivatives Association, Inc.

Knock-In Level means the level specified as such in the applicable Final Terms.

Knock-Out Level means the level specified as such in the applicable Final Terms.

Market Disruption Event means, in respect of a Commodity, an event defined as such or as an Additional Market Disruption Event under the ISDA Definitions including, but not limited to, (i) the failure by the relevant Exchange to announce or publish the relevant Commodity Reference Price, or the temporary or permanent discontinuance or unavailability of the price source, (ii) the material suspension of trading in such Commodity on the Exchange, (iii) the failure of trading to commence, or the permanent discontinuation of trading, in such Commodity on the relevant Exchange or the disappearance of, or of trading in, such Commodity, (iv) the occurrence since the first Valuation Date of a material change in the formula for or the method of calculating the relevant Commodity Reference Price, (v) the occurrence since the first Valuation Date of a material change in the content, composition or constitution of such Commodity and (vi) the material limitation imposed on trading in such Commodity on the Exchange.

MMBTU means one million British thermal units.

Observation Business Day means a day (other than a Saturday or a Sunday) on which commercial banks are open for business in London and New York.

Observation Period unless otherwise specified in the applicable Final Terms, means the period from and including the first Valuation Date to and including the last Valuation Date.

Pricing Date means a Commodity Business Day on which there is no Market Disruption Event.

Strike Price means the price specified as such in the applicable Final Terms.

Valuation Date(s)(n) means either:

1) if "Non-Common" is specified in the applicable Final Terms: "the Initial Valuation Date and the Final Valuation Date, as the case may be and/or the date(s) specified as such in the applicable Final Terms, PROVIDED THAT, if any of such dates is not a Pricing Date for any Commodity, then, such Valuation Date for such Commodity shall be postponed to the next Pricing Date, PROVIDED FURTHER THAT if there is no Pricing Date within a period of five Observation Business Days following the original Valuation Date, then the fifth Observation Business Day shall be deemed to be the Valuation Date for such Commodity and the Calculation Agent, shall determine on such fifth Observation Business Day, in good faith, the fair market value of such Commodity.

Notwithstanding the foregoing, a Valuation Date shall occur not later than four TARGET Business Days before the date of any payment to be made on the basis of determinations made on such Valuation Date; in such case, such fourth TARGET Business Day shall be deemed to be the Valuation Date for such Commodity and the Calculation Agent, shall determine, in good faith, on such day, the fair market value of such Commodity.

or

2) If "Common" is specified in the applicable Final Terms: "the Initial Valuation Date and the Final Valuation Date, as the case may be and/or the date(s) specified as such in the applicable Final Terms, PROVIDED THAT, if any of such dates is not a Pricing Date for any Commodity, then, such Valuation Date for all Commodities shall be postponed to the next Pricing Date that is common to all Commodities, PROVIDED FURTHER THAT if there is no Pricing Date common to all Commodities within a period of five Observation Business Days following the original Valuation Date, then the fifth Observation Business Day shall be deemed to be the

Valuation Date for all Commodities and the Calculation Agent, shall determine on such fifth Observation Business Day, in good faith, the fair market value of the Commodities, for which such day is not a Pricing Date. Notwithstanding the foregoing, a Valuation Date shall occur not later than four TARGET Business Days before the date of any payment to be made on the basis of determinations made on such Valuation Date; in such case, such fourth TARGET Business Day shall be deemed to be the Valuation Date for all Commodities and the Calculation Agent, shall determine, in good faith, the fair market value of the Commodities for which such day is not a Pricing Date.

Part 5 - DEFINITIONS RELATING TO FORMULAS

- + means that the item preceding this sign is added to the item following this sign.
- – means that the item following this sign is deducted from the item preceding this sign.
- / means that the item preceding this sign is divided by the item following this sign.
- X or * means that the item preceding this sign will be multiplied by the item following this sign.
- > means that the item preceding this sign is strictly greater than the item following this sign. When used in a condition, it means that the item preceding this sign must be strictly higher than the item following this sign for the condition to be met. E.g. "If $X > Y$ then,..." means that X must be strictly greater than Y for the condition to be met.
- < means that the item preceding this sign is strictly lower than the item following this sign. When used in a condition, it means that the item preceding this sign must be strictly lower than the item following this sign for the condition to be met. E.g. "If $X < Y$ then,..." means that X must be strictly lower than Y for the condition to be met.
- \geq means that the item preceding this sign is equal to or higher than the item following this sign. When used in a condition, it means that the item preceding this sign must be equal to or greater than the item following this sign for the condition to be met. E.g. "If $X \geq Y$ then,..." means that X must be equal to or greater than Y for the condition to be met.
- \leq means that the item preceding this sign is equal to or lower than the item following this sign. When used in a condition, it means that the item preceding this sign must be equal to or lower than the item following this sign for the condition to be met. E.g. "If $X \leq Y$ then,..." means that X must be equal to or lower than Y for the condition to be met.
- i, j or k means in respect of the item to which it applies which can be without limitation a date (e.g. "Valuation Date (i)"), an underlying (e.g. "Share (i)") or a combination of underlyings (e.g. "Basket (i)") or a figure obtained pursuant to a formula (e.g. "Coupon (i)"), the designation of such item within a countable list, with the use of the variable i, j or k.
- i from X to Y means that within the countable list of the designated item to which i applies (as defined above), only the items with a rank between X and Y both included (X and Y are numbers) are considered.
- i from X to Y and $\neq i_0$ by extension the item ranked i_0 is excluded from the above list.
- i^k means, when an item is designated in a list by 2 variables, the designation of such item in the list. e.g. "Share i^k " with Valuation Date (k) means "Share(i) on the Valuation Date(k)".
- Min [X;Y] means that the considered value is the lowest value between the values of the two numbers X and Y. If the two values X and Y are positive, the value that will be retained by application of this formula, will be the value that is the lowest of these two positive values (e.g. Min [3;2] 2 will be retained). If X is positive and Y negative, Y will be the value retained by application of this formula (e.g. Min [3; -2], -2 will be retained) . If X is negative and Y positive, X will be the

value retained by application of this formula (e.g. Min [-3;2], -3 will be retained). If both X and Y are negative values, the value retained by application of this formula will be the greatest negative value (e.g. Min [-3; -2], -2 will be retained). If X is positive and Y equal to 0 (e.g. Min [3; 0], Y = 0 will be retained) and if X is negative and Y equal to 0 (e.g. Min [-3; 0], X = -3 will be retained). The same rule applies, if more than two values are considered.

- **Max [X;Y]** means that the considered value is the highest value between the values of the two numbers X and Y. If the two values X and Y are positive, the value that will be retained by application of this formula, will be the value that is the highest of these two positive values (e.g. Max [3;2], 3 will be retained). If X is positive and Y negative, X will be the value retained by application of this formula (e.g. Max [3; -2], 3 will be retained). If X is negative and Y positive, Y will be the value retained by application of this formula (e.g. Max [-3;2], 2 will be retained). If both X and Y are negative values, the value retained by application of this formula will be the least negative value (e.g. Min [-3; -2], -2 will be retained). If X is positive and Y equal to 0 (e.g. Max [3; 0], X = 3 will be retained) and if X is negative and Y equal to 0 (e.g. Max [-3;0], Y = 0 will be retained). The same rule applies, if more than two values are considered.
- **Min_{i from X to Y}** means that the considered value of the item to which it applies, will be the lowest of the different values that such item can take determined pursuant to the rules of Min above, when its rank in the list varies from X to Y. e.g. Min_{i from 1 to 5} Share(i) means that the relevant value to be considered is the lowest value amongst the 5 values that Share(i) takes.
- **Max_{i from X to Y}** means that the considered value of the item to which it applies, will be the greatest of the different values that such item can take determined pursuant to the rules of Max above when its rank in the list varies from X to Y. e.g. Max_{i from 1 to 5} Share(i) means that the relevant value to be considered is the greatest value amongst the 5 values that Share(i) takes.
- $\sum_{n=1}^X$ or Sum_{n from 1 to X} means, for the item to which it applies, the sum of the X values that the item will take. e.g. $\sum_{n=1}^{10}$ Basket (n) means the sum of the 10 values that Basket (n) takes when n varies from 1 to 10.
- $\frac{1}{X} \times \sum_{n=1}^X$ means for the item to which it applies, the arithmetic average of the values that the item will take. E.g. $\frac{1}{10} \times \sum_{n=1}^{10}$ Basket (n) means the arithmetic average of the 10 values that Basket (n) takes.
- **|X|** or **Abs (X)** or **absolute value of X** means that even if X has a negative value this negative value will be disregarded. E.g. **| -10 |** means that the value to be retained is 10.
- **Xⁿ** means that the value to be considered is the result of X multiplied by itself "n-1" times. E.g. 2⁵ means 2*2*2*2*2 (i.e. 2 multiplied by itself 4 times) = 32.
- **√X** or **the square root of X** means that the value to be considered is the number which when multiplied by itself gives X. E.g. √9 = 3 since 3*3 = 9.
- $\prod_{n=1}^x$ means, for the item to which it applies, the product of the x values that the item will take. E.g. $\prod_{n=1}^3 (n + 1)$ means (1 + 1)(2 + 1)(3 + 1) = 2 × 3 × 4 = 24

Part 6 - OTHER DEFINITIONS

The applicable Final Terms may contain other definitions not specifically referred to in this Technical Annex (including, without limitation, Knock-In Level, Knock-Out Level and Exchange Price). The meanings and/or functions of such definitions will be set out in full in the Schedule to the applicable Final Terms.

GUARANTEE

Société Générale Effekten GmbH (the "Issuer") has taken and will take the necessary corporate actions for the issue of notes, certificates, warrants or other securitized instruments governed by securities prospectuses which (i) explicitly refer to this Guarantee and (ii) are dated on or after November 1, 2005 (the "Financial Instruments") up to a maximum amount of EUR 5,000,000,000.00 (Five Billion Euros) or its equivalent in another currency. In connection with the issue and offer of the Financial Instruments, the Issuer has prepared or will prepare from time to time securities prospectuses which are in compliance with the German Securities Prospectus Act (*Wertpapierprospektgesetz*) implementing the Directive 2003/71/EC of the European Parliament and the Council of November 4, 2003.

Société Générale (the "Guarantor") hereby unconditionally and irrevocably guarantees, for the benefit of the holders of Financial Instruments, the due and punctual payment of any amounts due and payable and/or the due and punctual physical delivery of securities deliverable, under the respective terms and conditions of any Financial Instruments issued by the Issuer (the "Indebtedness").

In the event of any default by the Issuer in the punctual payment and/or physical delivery of securities in respect of all or any part of the Indebtedness, the Guarantor will make any payments and/or physical deliveries of securities, on first demand, provided that:

- the request is made by registered mail with acknowledgment of receipt to the Guarantor attesting (i) that the payment of the claimed amounts and/or the physical delivery of securities is guaranteed hereunder and (ii) the conditions of payment and/or delivery are fulfilled, and (iii) the payment of such claimed amounts and/or physical delivery of such securities has not been made by the Issuer,
- the Guarantor is obliged to pay the claimed amounts and/or to physically deliver the claimed securities without having the right to raise any objection notably from present or future relationship between the holders of Financial Instruments and the Issuer.

This Guarantee is limited to all Financial Instruments issued on or after November 1, 2005. The Guarantee will come into force on December 21st, 2005 and shall expire only after payment/and or delivery in full of any Indebtedness due under the Financial Instruments issued by the Issuer

This Guarantee constitutes a direct, unconditional, unsecured and unsubordinated obligation of the Guarantor and ranks and will rank *pari passu* with all other existing and future direct, unconditional, unsecured and unsubordinated obligations of the Guarantor, including those in respect of deposits, but excluding any debts for the time being preferred by law.

In the event of a substitution of the Issuer by a subsidiary of the Guarantor (the "New Issuer") pursuant to the terms and conditions of any Financial Instruments, this Guarantee shall extend to any and all amounts payable by the New Issuer pursuant to the terms and conditions of such Financial Instruments.

This Guarantee is governed by, and shall be construed in accordance with, the laws of France. Any dispute arising out or in connection with its validity, interpretation or performance shall be submitted to the exclusive jurisdiction of Tribunal de Commerce de Paris, France.

Paris, December 21st, 2005

J-P. LESAGE

Chief Financial Officer

SG Corporate & Investment Banking

DESCRIPTION OF THE TRUST AGREEMENT AND THE LIMITATION OF RECOURSE

A. Trust Agreement

On 28th February, 2006 the Issuer and the Guarantor have entered into the following trust agreement:

“TRUST AGREEMENT

BETWEEN THE UNDERSIGNED

SOCIETE GENERALE [S.A.], a French société anonyme which is located at 17, cours Valmy, 92972 LA DEFENSE CEDEX, FRANCE, represented by Mr Christophe MIANNE, representing the Equity Derivatives business line in the Capital Markets department and hereinafter referred to as “SG”

AND

SOCIETE GENERALE Effekten GmbH [Frankfurt], a subsidiary of SOCIETE GENERALE S.A., which is located at Mainzer Landstr. 36, 60325 Frankfurt / Main, Germany, represented by Mr Guenter HAPP, its managing director (*Geschäftsführer*), and hereinafter referred to as “SGE”.

WHEREAS:

SGE is willing to issue or redeem debt instruments (such as, but not limited to, indexed notes, over the counter transactions) linked to shares, baskets of shares, indices, baskets of indices, funds and commodities or futures contracts on the same (the “Securities”) on a fiduciary (*treuhänderisch*) basis for the benefit and the account of SG. Now, therefore, SG and SGE (together the Parties) hereby conclude the following Trust Agreement (the “Agreement”):

Article 1 – Scope of the Agreement

SG shall have the unilateral right to determine by way of issuing a separate confirmation (the “Confirmation”) that the terms of this Agreement shall apply for the issuance of certain Securities. The Securities in relation to which the Confirmation has been issued shall be referred to hereinafter as the “Notes”.

Article 2 - Duties of SGE

Under this Agreement, SGE commits to:

- a) issue and to redeem Notes on a fiduciary (*treuhänderisch*) basis in SGE's own name (*im eigenen Namen*) but for the account (*für Rechnung*) of SG;
- b) collect any proceeds resulting from the issuance of the Notes (*Emissionserlöse*) and to deliver such proceeds forthwith to a bank account to be specified by SG;
- c) use the funds made available by SG pursuant to Article 3 a) for payments owed under the Notes as and when they fall due and to make such payments on a fiduciary (*treuhänderisch*) basis in SGE's own name (*im eigenen Namen*) but for the account (*für Rechnung*) of SG;
- d) follow any instructions given by SG in relation to all rights of SGE under the Notes, including but not limited to the right of SGE to be substituted as issuer and principal debtor under the Notes.

For the avoidance of doubt, SGE is not allowed to use, manage or invest funds made available to it by SG in any other way than for the purposes as defined in c) above.

Article 3 - Duties of SG

Under this Agreement, SG commits to:

- a) advance to SGE an amount equal the amount of any payment owed by SGE under the Notes as and when such payment obligation falls due and in a manner that allows SGE to fulfil its payment obligation in a timely manner.

- b) For the avoidance of doubt, the payment obligations of SGE under the Notes that are relevant for the determination of the advances to be made by SG shall not be limited by the “Limited Recourse” provision as set out in the terms and conditions of such Notes.
- c) pay to SGE fees as set out in Article 4.

Article 4 - Payment of Fees

SGE will be remunerated by a fee, based on the costs incurred by the issuance of Notes as described in the separate “Agreement relating to issuance activity in SG Effekten” dated 1st of July 2005 in its latest version.

Article 5 - Term

This Agreement shall come into force with effect from 1st July 2005. It is concluded for an initial term of one year, and thereafter shall be deemed renewed from year to year unless one of the Parties provides notice of termination in writing no later than 15 days prior to the date at which the Agreement is due to be renewed. Shall the Agreement be terminated, the Parties agree to be bound by its terms until all obligations under the Notes have been fully satisfied.

Article 6 - Modifications [- Prior Agreements]

Any modification of this Agreement shall be set forth in a written amendment signed by all the Parties.

Article 7 - Applicable law - Jurisdiction

This Agreement shall be governed by the laws of Germany.

All disputes relating to its validity, interpretation or performance shall be submitted to the law courts in Frankfurt with jurisdiction, provided however, that SG and SG alone, in whose favour such attribution of jurisdiction has been granted, shall have the option of bringing such proceedings before any other court with jurisdiction.”

B. Limitation of Recourse

Pursuant to Condition 10 of the Terms and Conditions of the Notes, any payment obligations of the Issuer under the Notes are limited to the funds received from the Guarantor under the Trust Agreement. To the extent such funds prove ultimately insufficient to satisfy the claims of all Noteholders in full, then any shortfall arising therefrom will be extinguished and no Noteholder has any further claims against the Issuer, regardless of whether the Issuer would be able to fulfil its payment obligations under the Notes out of its own funds, subject, however, to the right of the Noteholders to exercise any termination or early redemption rights.

C. Impact of the Trust Agreement and the Limitation of Recourse on the Position of the Issuer vis-à-vis the Noteholders

As a result of the Trust Agreement, the Issuer’s ability to satisfy its payment obligations under the Notes in full is dependent upon it receiving in full the amounts payable to it by the Guarantor under the Trust Agreement. Moreover, since the Terms and Conditions of the Notes provide for a limitation of recourse, this applies irrespective of whether the Issuer would be able to make such payments out of other funds available to it.

Thus, from an economic perspective, the Notes are issued by the Guarantor and not the Issuer, whose role is comparable to that of a special purpose vehicle used for the issue of securities and the Noteholders directly depend on the credit risk of the Guarantor (see “Risk Factors Issue of the Notes by the Issuer on the account of the Guarantor and Creditworthiness of the Guarantor”) rather than that of the Issuer.

USE OF PROCEEDS

Pursuant to the Trust Agreement (see “Description of the Trust Agreement and the Limitation of recourse”) the Issuer is obliged to collect any proceeds resulting from the issuance of the Notes and to deliver such proceeds forthwith to a bank account to be specified by the Guarantor. The net proceeds from each issue of Notes by the Issuer will be applied by the Guarantor for the general financing purposes of the Société Générale group of companies. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

DESCRIPTION OF SOCIÉTÉ GÉNÉRALE EFFEKTEN GMBH

History and Development of the Issuer

The Issuer has its registered office in Frankfurt am Main and is entered in the commercial register of the local court of Frankfurt under no. HRB 32283. It came into existence after LT Industriebeteiligungs-Gesellschaft mbH, which was founded on 3rd March, 1977, was renamed by resolution of the shareholders' meeting on 5th October, 1990. The Issuer was founded as a limited liability company (*Gesellschaft mit beschränkter Haftung*, GmbH) under German law.

The business address and telephone number of the Issuer are: Société Générale Effekten GmbH Mainzer Landstraße 36, 60325 Frankfurt am Main, telephone number is +49 (0)69 71 74 0.

Auditors

The financial statements of the Issuer, for the last two financial years have been audited by Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Eschersheimer Landstrasse 14, 60322 Frankfurt am Main, and an unqualified audit opinion was issued thereon.

Ernst & Young AG Wirtschaftsprüfungsgesellschaft is a member of the German Chamber of Auditors (*Wirtschaftsprüferkammer K.d.ö.R.*), an institution subject to public law having its seat at Rauchstrasse 26, 10787 Berlin.

Selected Financial Information

Results of Operations

The income statements for the last two financial years are detailed below.

	2004 EUR k	2003 EUR k	+/- EUR k	%
Income from the sale of warrants	7,375,988	6,807,766	568,222	8
Expenses from the purchase of options	<u>-7,375,988</u>	<u>-6,807,766</u>	<u>-568,222</u>	8
Total operating performance	<u>0</u>	<u>0</u>	<u>0</u>	0
Other operating expenses	-844	-667	-177	27
Other operating income	<u>885</u>	<u>708</u>	<u>177</u>	25
Operating result	<u>41</u>	<u>41</u>	<u>0</u>	0
Financial result	4	2	2	100
Earnings before tax	<u>45</u>	<u>43</u>	<u>2</u>	5
Income taxes	<u>-14</u>	<u>-31</u>	<u>17</u>	-55
Net income for the year	<u><u>31</u></u>	<u><u>12</u></u>	<u><u>19</u></u>	158

The Issuer generated premiums of EUR 7,375,988k (prior year: EUR 6,807,766k) from the issue of warrants. To hedge the warrants sold, the Issuer concluded OTC offsetting hedging contracts with Société Générale, Paris, for which option premiums were paid in the same amount.

The rise in income and expenses from the sale of warrants is the result of the increase in issue volume in financial year 2004. Other operating expenses mainly comprise costs incurred in issuing options. Operating expenses increased as a result of the rise in the number of issues in financial year 2004 and the relatively high proportion of fixed costs.

Other operating income includes reimbursed issue costs from the parent company, Société Générale, Paris, as well as administration fees.

The tax expense includes income from financial year 2002 of EUR 4k.

Composition of Assets, Equity and Liabilities

Condensed balance sheets for the last two financial years are shown below. The items have been arranged according to operational criteria. Receivables and liabilities due in more than one year are treated as long term.

	2004		2003		+/-
	EUR k	%	EUR k	%	EUR k
Assets					
Long-term receivables (in trust)	25,000	99	500,000	98	-475,000
Short-term receivables	294	1	11,894	2	-11,600
Cash and cash equivalents	0	0	85	0	-85
	<u>25,294</u>	<u>100</u>	<u>511,979</u>	<u>100</u>	<u>-486,685</u>
Equity and liabilities					
	EUR k	%	EUR k	%	EUR k
Equity	117	0	86	0	31
Long-term liabilities (in trust)	25,000	99	500,000	98	-475,000
Short-term liabilities	177	1	11,893	2	-11,716
	<u>25,294</u>	<u>100</u>	<u>511,979</u>	<u>100</u>	<u>-486,685</u>

Long-term receivables relate to the transfer of proceeds from the issue of a hedge index certificate in the Issuer's own name and for account of Société Générale, Paris. The item shows a year-on-year decrease of EUR 475,000k due to the reduction in issue volume for the hedge index certificate in financial year 2004.

EUR 260k of the short-term receivables is due from Société Générale, Paris, and relates to reimbursement claims for issue costs. The item also includes tax refund claims of EUR 34k.

Long-term liabilities relate to the issue of the hedge index certificate.

Short-term liabilities comprise other accruals totaling EUR 121k, a liability to affiliated companies of EUR 55k and trade payables of EUR 1k.

Business Overview

The business purpose of the Issuer, as stipulated in its articles of incorporation, is the issue and sale of securities as well as related activities, with the exception of those requiring a license. The Issuer does not engage in banking business as defined by the German Banking Act (*Kreditwesengesetz*, KWG). The Issuer is a financial entity as defined in Sec. 1 (3) Sentence 1 No. 5 KWG.

The Issuer is engaged in the issue and placement of securities, mainly warrants, as well as related activities. It issues equity warrants, index option warrants, currency warrants and commodity warrants.

The securities are primarily issued on the German market, one of the most important derivatives markets. The securities may also be sold publicly in certain other EU member states.

Information on the Issue Business

The issue volume of the Issuer in the financial years 2004 and 2003 is shown in the following table. All issues are hedged in full by identical OTC options concluded with Société Générale S.A., Paris.

		FISCAL YEAR 2004			FISCAL YEAR 2003			
WARRANT CLASS	TYPE	NO.	VOLUME (IN UNITS)	LONGEST MATURITY	TYPE	NO.	VOLUME (IN UNITS)	LONGEST MATURITY
Equity warrants	CALL	653	1,306,000,000	Dec. 21, 2007	CALL	657	1,333,000,000	June 17, 2005
	PUT	121	239,000,000	Dec. 15, 2006	PUT	213	429,000,000	March 18, 2005
					DISCOUNT	75	33,100,000	Sept. 17, 2004
	Open End Turbo Short	488	159,900,000	open end	Open End Turbo	44	13,200,000	open end
	Open End Turbo Long	784	288,600,000	open end	WRT with KO	1	150,000	April 23, 2004
	Korridor	9	9,000,000	March 18, 2005	CALL FOCAM	1	16	July 03, 2008
			2,055	2,002,500,000			991	1,808,450,016
Index warrants	CALL	52	104,000,000	Dec. 21, 2007	CALL	128	369,000,000	June 29, 2005
	PUT	17	33,000,000	Dec. 15, 2006	PUT	80	257,500,000	Nov. 03, 2006
	Open End Turbo Short	101	31,900,000	open end	Open End Turbo	137	40,100,000	open end
	Open End Turbo Long	162	65,800,000	open end	DISCOUNT	26	47,600,000	April 13, 2004
	KORRIDOR	67	67,000,000	March 18, 2007	KORRIDOR	39	87,000,000	June 06, 2004
		399	301,700,000			410	801,200,000	
Currency warrants	CALL	85	170,000,000	Sept. 12, 2005	CALL	79	158,000,000	March 15, 2004
	PUT	152	304,000,000	Dec. 12, 2005	PUT	71	142,000,000	March 14, 2005
	Open End Turbo Short	8	2,400,000	open end				
	Open End Turbo Long	8	2,400,000	open end				
		253	478,800,000			150	300,000,000	
Commodity warrants	CALL	85	157,000,000	Dec. 29, 2005	CALL	45	71,000,000	June 28, 2005
	PUT	86	157,000,000	Dec. 29, 2005	PUT	36	58,000,000	June 28, 2005
	Open End Turbo Short	85	31,300,000	open end				
	Open End Turbo Long	116	41,400,000	open end				
		372	386,700,000			81	129,000,000	
		3,079	3,169,700,000			1,632	3,038,650,016	

As of 31st December, 2004, the type, scope and fair value of the derivative hedging contracts not yet due as of the balance sheet date are presented as follows. To hedge its equity and index warrants, the Company holds 1,537 OTC options with a market value of EUR 4,285m; to hedge its currency warrants, it holds 239 OTC options with a market value of EUR 416m; and to hedge its commodity warrants, it holds 222 OTC options with a market value of EUR 922m.

Société Générale, Paris, values the derivative financial instruments using generally accepted option pricing models. As all warrants issued in financial year 2004, as in financial year 2003, were fully hedged by identical OTC options, the option premiums were recognized in the income statement.

Organisational Structure

The Issuer is a wholly owned subsidiary of Société Générale, Paris. The Société Générale Group is one of the largest banking groups in the world. The Société Générale Group conducts all major banking business, such as retail banking, corporate banking, capital market business and leasing. Société Générale, the parent company of the Group, is listed on the Paris Stock Exchange.

Service level agreements are in place that allow the Issuer to use the resources of Société Générale, Frankfurt am Main branch, and/or Société Générale, Paris.

The consolidated financial statements prepared by the parent company can be inspected at Société Générale, Frankfurt branch, Frankfurt am Main.

Forward-Looking Information

Since the last audited financial statements were published on 18th March, 2005, there have been no significant adverse changes in the Issuer's business prospects.

Management and Company Representatives

The general managers of the Issuer are currently Ms. Martine Jonghi, London, Dr. Joachim Totzke, Frankfurt am Main, and Mr. Günter Happ, Flieden. Ms. Martine Jonghi, Dr. Joachim Totzke and Mr. Günter Happ can be contacted at Société Générale, Frankfurt am Main branch, Mainzer Landstraße 36, 60325 Frankfurt am Main.

The Company is represented jointly by two general managers or by one general manager together with an authorized signatory.

The articles of incorporation do not contain any provisions on the appointment of a supervisory board. No supervisory board existed during the past financial year.

There are no potential conflicts of interest between the obligations of the general managers in respect of the Issuer and their private interests and other obligations.

Information on the Net Assets, Financial Position and Results of Operations of the Issuer

Information on the net assets, financial position and results of operations of the Issuer for the years ended 31st December, 2003 and 2004 as well as unaudited interim financial information for the period ended 30th June, 2005 of the Issuer can be found on pages 10 - 25 of the Registration Document dated 14th March, 2006 of the Issuer.

The annual financial statements for the financial years ended 31st December, 2003 and 2004 as well as the management reports and the cash flow statements for financial years 2003 and 2004 of the Issuer can be found on pages 28 – 52 of the Registration Document dated 14th March, 2006 of the Issuer.

Significant Court or Arbitration Proceedings

No court or arbitration proceedings which could have, or, during the last two financial years, have had a significant impact on the economic situation of the Company were pending or, to the best knowledge of the Issuer, are pending or threatened.

Significant Changes in the Financial Position or Trading Position of the Issuer

Since the end of the last financial year, no significant changes in the financial or trading position of the Issuer have occurred.

Additional Information

Capital Stock

The fully paid-in capital stock of the Issuer amounts to EUR 25,564.59. All shares in the Company are held by Société Générale, Paris.

Significant Contracts

On 10th October, 2001, and based on a trust arrangement with Société Générale, Paris, the Issuer issued a hedge index certificate with a nominal value of EUR 500,000.00. A loan arrangement is in place between Société Générale, Paris, (borrower) and the Issuer (lender) for the funds raised in the course of the issue, which were transferred to Société Générale, Paris. The loan bears no interest. The loan becomes payable on the same date as the certificate. The latter may be terminated as of 10th October, 2006 at the earliest. Upon maturity, the loan shall be repaid in the amount required to redeem the certificate. In 2004, the portion of the issue not placed on the market by Société Générale was partially reduced by EUR 475,000k.

On 18th July, 2001, prior to the issue of the hedge index certificate, Société Générale assumed responsibility for any potential liability risks resulting from the issue of the hedge index certificate or from the statements made in the prospectus from the Issuer.

In addition, the Issuer and Société Générale, Paris, have signed an agreement governing the reimbursement of costs incurred by the Issuer in issuing warrants. Under the terms of the agreement, the Issuer also receives a monthly administration fee of 5% of the issue costs.

DESCRIPTION OF SOCIÉTÉ GÉNÉRALE

History and Development of Société Générale

Société Générale is a joint-stock company incorporated by deed approved by the Decree of 4th May, 1864, and is approved as a bank. It was nationalised in 1945, but returned to the private sector in July 1987 as a *société anonyme* under the laws of the Republic of France. The duration of Société Générale, previously fixed at 50 years with effect from 1st January, 1899, was then extended by 99 years with effect from 1st January, 1949. The company will expire on 31st December, 2047 unless it is wound up or its duration extended.

Stock exchange listing

Société Générale's shares are listed on the Paris Bourse (deferred settlement market, continuous trading group A, ISIN code FR0000130809) and on the Tokyo stock exchange. They are also traded in the United States under an American Depositary Receipt (ADR) program.

Société Générale, which is registered in the *Registre du commerce* (Commercial Register) under no 552 120 222 R.C.S. Paris, has its registered office at 29, boulevard Haussmann, 75009 Paris, and its administrative office at 17, Cours Valmy, 92972 Paris-La Défense. Its telephone number is +33 (0)1 42 14 20 00.

The financial year of Société Générale runs from 1st January to 31st December. Société Générale's legal name is "Société Générale S.A." and its commercial name is "Société Générale".

Subject to legal and regulatory provisions relating to credit institutions, notably, the applicable articles of the *Code monétaire et financier* (French Monetary and Financial Code), Société Générale is governed by commercial legislation, in particular articles 210-1 *et seq.* of the *Code de commerce* (French Commercial Code).

Société Générale is a credit institution authorised to act as a bank and as such, it can carry out banking transactions. It is also authorised to provide all investment or related services described in articles L. 321-1 and L. 321-2 of the French Monetary and Financial Code. In its capacity as an investment services provider, Société Générale is subject to applicable French investment services laws and regulations. As a bank and as an investment services provider, Société Générale must comply with a number of prudential rules and is subject to the controls carried out by the *Commission bancaire* (French Banking Commission). Its management and all employees are bound by rules governing professional secrecy, breach of which is punishable by law. Société Générale also acts as an insurance broker.

The purpose of Société Générale is, under the conditions determined by the laws and regulations applicable to credit institutions, to carry out with individuals or corporate entities, in France or abroad:

- all banking transactions;
- all banking-related transactions, including, in particular, investment services or related services or as listed in Articles L. 321-1 and L. 321-2 of the French Monetary and Financial Code;
- all acquisitions of interests in other companies.

Société Générale may also engage on a regular basis in transactions other than those listed above, including in particular insurance brokerage, under the conditions set by the *Comité de la réglementation bancaire et financiers* (French Banking and Financial Regulation Committee).

Generally, Société Générale may carry out, on its own behalf, on behalf of third parties or jointly, all financial, commercial, industrial or agricultural personalty or realty transactions, directly or indirectly related to the above-mentioned activities or likely to facilitate the accomplishment of such activities.

Organisational Structure

Société Générale is the parent company of the Société Générale group (the "Group"). A list of the principal subsidiaries and affiliates of Société Générale and their activities can be found on pages 244 - 251 of

the Registration Document dated 7th April, 2006 of the Guarantor and a simplified organisational chart is set out on pages 28 and 29 of the Registration Document dated 7th April, 2006 of the Guarantor.

Share Capital

At December 31, 2005, Société Générale's paid-up common stock (as recorded on January 11, 2006) amounted to EUR 542,860,226.25 and comprised 434,288,181 shares with a nominal value of EUR 1.25 per share, all eligible for dividends paid out of income earned from January 1, 2005. If all vested stock options were to be exercised, 1,744,816 shares would be issued, representing a maximum potential dilution of 0.40%. The Group's common stock would then amount to EUR 545,041,246.30, divided into 436,032,997 shares. As part of the Group's capital market activities, transactions may be carried out involving indexes or underlying assets with a Société Générale share component. These transactions do not have an impact on the Group's future capital. Under the authorization granted to it by the Extraordinary General Meeting of May 13, 1997, the Board of Directors, during its meetings of June 24, 1998, and January 12, 2001 granted stock subscription options to certain employees and officers of the Company. Moreover, following a recommendation by the Compensation Committee, the Board of Directors granted additional stock options on September 8, 1999, August 2, 2000 and January 16, 2002.

Further information on Société Générale's share capital (including a breakdown of capital and voting rights) can be found on pages 23 – 25 and pages 252 - 255 of the Registration Document dated 7th April, 2006 of the Guarantor.

Stock exchange listing

Société Générale's shares are listed on the Paris Bourse (deferred settlement market, continuous trading group A, ISIN code FR0000130809) and on the Tokyo stock exchange. They are also traded in the United States under an American Depositary Receipt (ADR) program.

General Meetings of Shareholders

The annual general meeting of shareholders is convened and held in accordance with legal provisions in force.

Société Générale, being a credit institution, is obliged by virtue of Article 8 of French *décret* n° 84-708 of 24th July, 1984 to submit its annual financial statements at the general meeting of shareholders before 31st May, of each year, unless otherwise authorised by the *Commission Bancaire* (French Banking Commission).

Auditors

The statutory auditors of Société Générale are Ernst & Young Audit represented by Mr Christian Mouillon, 11, allée de l'Arche, 92400 Courbevoie, France and Deloitte & Associés (formerly named Deloitte Touche Tohmatsu) represented by Mr José Luis Garcia, 185 avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, France, who have audited Société Générale's accounts, without qualification, in accordance with generally accepted auditing standards in France, for each of the two financial years ended on 31st December, 2004 and 31st December, 2005 and, for the financial years ended on 31st December, 2004 and 31st December, 2005, in accordance with IFRS (except for IAS 32 and IAS 39 and IFRS 4 which were applied only as from 1st January, 2005). The auditors of Société Générale have no material interest in Société Générale.

Business Overview

The Société Générale group is one of the leading financial services groups in the euro zone, operating in 76 countries and employing over 103,000 staff from 114 different nationalities. The Group boasts a solid financial structure, with a tier one capital ratio of 7.6% at December 31, 2005, and strong financial ratings: AA- with a positive outlook (Standard & Poor's), Aa2 (Moody's) and AA- (Fitch). The Société Générale Group is structured into three core businesses, Retail Banking and Financial Services, Global Investment Management and Services and Corporate and Investment Banking.

Its business is structured around three core businesses.

(i) *Retail Banking and Financial Services*

Retail Banking and Financial Services comprises all activities with individual customers, self-employed professionals and small and medium sized enterprises. At December 31, 2005, the division provided a comprehensive range of financial and banking services to a total of 19 million individuals and several hundred thousand businesses throughout the world.

- *French Networks*

The Société Générale and Crédit du Nord retail networks (along with six regional banks) cater for some 9 million individual customers and several hundred thousand businesses and selfemployed professionals, distributing a complete selection of financial products and services via a high performance, integrated multi-channel platform. The two networks have complementary customer bases and together operate more than 2,800 local branches across France, situated primarily in urban areas and in regions with a high proportion of the nation's wealth. Thanks to this strategic positioning, and to the skills and commitment of their 35,000 staff, the French Networks have consistently expanded their market share in almost all customer and product segments for the past five years.

- *Retail Banking outside France*

Since 1998, the Group's international retail banking division has grown rapidly as a universal banking player, particularly in Central and Eastern Europe and in the Mediterranean Basin. Through a combination of targeted acquisitions and strong organic growth, the division has built up a presence in 27 countries throughout the world. At December 31, 2005 it had 1,700 branches, employing over 31,000 employees and serving 5.8 million individual customers and close to 600,000 businesses. The Société Générale Group is now strongly positioned in Romania, where its subsidiary BRD is the country's second largest banking player, and in the Czech Republic, where Komerční Banka also ranks number 2. In 2005, the Group continued its policy of targeted acquisitions, with the purchase of DeltaCredit Bank in Russia, Podgoricka Banka in Montenegro and, more recently, the purchase of MIBank in Egypt by NSGB, making it the country's largest privatelyowned banking group. To complement this strategy, the Group also stepped up its investment in organic growth, particularly in Romania, Russia and Serbia.

- *Financial Services*

The Financial Services division comprises business finance and services, consumer credit, insurance and means of payment. In business finance and services, the Group currently operates in 37 countries worldwide and ranks as a European leader in various market segments: No.1 in vendor and equipment finance (Société Générale Equipment Finance), No.1 in IT asset leasing and management (ECS) and No.2 in operational vehicle leasing and fleet management (ALD Automotive). The consumer credit business continued to grow at a faster pace in 2005, making acquisitions in Germany, Italy, Poland, Russia and Hungary. Société Générale Consumer Finance is now present in 12 countries, and enjoys premier status in France, Italy and Germany. In the insurance business, Sogecap Group markets an extensive range of life insurance products to customers of the retail banking networks both in France and abroad (Morocco, Egypt and the Czech Republic).

(ii) *Global Investment Management and Services*

Global Investment Management and Services incorporates the Group's asset management business (for both institutional and corporate investors), private banking, securities custody, brokerage and clearing on all organized markets and online savings.

- *Asset Management*

Société Générale Asset Management is one of the leading asset management players in the euro zone, with total client assets of EUR 327 billion at December 31, 2005. The group operates via four management platforms located in France, the UK, the US and Asia, offering institutional, business and individual clients privileged access to a full range of asset classes, in all financial markets.

- *Private Banking*

SG Private Banking provides wealth management services, including estate planning and investment advisory services, to individual clients with minimum financial assets of EUR 1 million. The division has developed onshore and offshore banking operations both in Europe and in Asia, employing close to 2,000 people and managing a total of EUR 59 billion of assets at December 31, 2005. In 2005, SG Private Banking was voted Outstanding Bank for Alternative Investments by Private Banker International Securities Services magazine.

- *Securities Services*

Société Générale Securities Services provides a full array of services in securities and listed derivatives in all financial markets. At December 31, 2005, the global custodian, depository and valuation businesses together had EUR 1,418 billion of assets under custody and nearly 3,800 funds under administration. The division's subsidiary, Fimat, is currently one of the premier international brokers, offering competitive execution and clearing services for a wide range of cash and derivative products.

- *Online savings*

Boursorama is a major European player in the online distribution of savings products, with over 460,000 clients and EUR 7.5 billion of outstanding savings and deposits at December 31, 2005. In France, Boursorama.com is the benchmark portal for online financial information (nearly 4 million unique visitors per month), while Boursorama Banque is the country's number one online broker. Outside France, Boursorama's local brands rank among the leading players in Germany (Fimatex and Veritas), Spain (SelfTrade) and the UK (Selftrade and Squaregain).

(iii) *Corporate and Investment Banking*

Société Générale Corporate and Investment Banking groups together all capital market and financing activities for corporate clients, financial institutions and institutional investors in Europe, the Americas and Asia-Pacific. Combining innovation with strong execution capabilities, Société Générale Corporate & Investment Banking develops high value-added financial solutions in its three key areas of expertise: derivatives, euro capital markets and structured finance. Société Générale Corporate and Investment Banking employs close to 9,600 staff in 45 countries. It derives over half of its client-driven revenues from Europe, and a growing share from countries outside France, reflecting the efforts made over recent years to broaden its geographical coverage and penetrate the corporate and institutional client segments in countries such as Spain, Germany and Italy. Société Générale Corporate and Investment Banking is the euro zone's third largest corporate and investment bank in terms of revenues, generating a total of EUR 5.7 billion in 2005. This figure represents a rise of 20% on 2004 at constant structure and exchange rates – one of the highest rates of growth in the industry. At the same time, it has consistently ranked as one of Europe's most profitable players over the last six years (ROE after tax of 44.4% in 2005).

Société Générale operates in the geographical markets France, Europe, America, Asia, Africa and Oceania. The 2005 geographical breakdown of net banking income is the following:

Geographical breakdown of net banking income

In millions of Euros	France	Europe	Americas	Asia	Africa	Oceania	Total
Net interest and similar income ⁽¹⁾	2.226	1.923	271	(44)	453	(122)	4.707
Net fee income	3.638	1.009	1.046	166	195	22	6.076
Net income/expense from financial transactions	4.273	1.092	1.380	498	32	222	7.497
Other net operating income	287	643	(44)	(2)	8	(2)	890
Net banking income	10.424	4,667	2.653	618	688	120	19.170

(1) including dividend income and net income from lease financing and similar agreements.

Additional information on the Group's business operations can be found on pages 14, 15; 30 – 56 and 222 - 224 of the Registration Document dated 7th April, 2006 of the Guarantor.

Information on Business Trends

Information with respect to “Material Adverse Change”

Save as disclosed in this Prospectus there has been no adverse change in the financial position of Société Générale which is material in the context of the Programme or the issue and offering of Notes thereunder, since the date as at which the most recent audited financial statements of the Guarantor were prepared.

Trend Information

Following the end of the last financial year the following important post closing events have taken place with respect to the business activity of Société Générale.

(i) *Announcement of the intended tie-up of Boursorama and CaixaBank*

On January 27, 2006, Boursorama and Caixa Holding announced they had begun discussions on the proposed tie-up of Boursorama and CaixaBank, a French subsidiary of CaixaHolding.

Following the tie-up, CaixaHolding will be Boursorama's second largest shareholder, after Société Générale.

The new entity will operate a direct banking service, under the Boursorama Banque brand, distributing a range of products and services via the telephone and Internet, and through the CaixaBank branch network.

Together, the two companies will form a major online banking player in the French market.

(ii) *Announcement of the acquisition of UniCredito's Securities Services business*

At the end of January 2006, Société Générale Securities Services (SGSS) announced it was to acquire 2S Banca S.p.A, the securities services subsidiary of Unicredito, for EUR 548 billion. 2S Banca S.p.A. has a total of EUR 513 billion of assets under custody. It is the second largest securities custodian in Italy, where it has EUR 455 million of assets under custody. It provides securities custody, depositary banking, settlement and delivery, fund administration and transfer agency services for clients in Italy, Luxembourg and Dublin.

SGSS will become the third largest European custodian with close to EUR 2,000 billion of assets under custody.

The deal was signed at the end of February 2006 and should be finalized before the end of 2006, subject to the approval of the supervisory authorities.

(iii) *Integration of Oster Lizing*

In October 2005, the Group announced the acquisition of 100% of Oster Lizing, a Hungarian consumer credit company specializing in car loans.

The deal is subject to approval by the Hungarian supervisory authorities.

Oster Lizing will be incorporated into the Société Générale Group's accounts during 2006.

The acquisition provides the Group with a car loan offering in the Hungarian market, completing its Specialized Financing platform in Hungary where it already operates via ALD (operational vehicle leasing and fleet management) and SGEF (vendor and equipment finance).

(iv) *Creation of a joint platform for employee savings plan administration*

In February 2006, Axa France, BNP Paribas, HSBC France and Société Générale announced the creation of a joint platform for employee savings plan administration in France.

The joint venture is a limited joint-stock company (société par actions simplifiée) with a capital of EUR 213,607 at January 1, 2006. Ownership of its capital will be updated each year and will vary according to the volume of business given to it by each of its partners.

At January 1, 2006, it broke down as follows:

- Société Générale - 36.7%,
- AXA Epargne Entreprises - 11.7%,
- BNP Paribas ERE - 33.5%,
- HSBC EE - 18.1%.

This platform is set to become the leading player in employee savings account administration in France, with more than 4 million employee accounts under management and over 300 staff.

This joint venture will allow the four partners to take advantage of the excellent growth opportunities offered by the employee savings market. The aim is to provide a growing number of companies and employees with a comprehensive range of high quality services, to support the expansion of employee savings, and to provide a centralized account management service in association with several fund management companies.

The platform will allow the pooling of administration resources while at the same time allowing the partners to continue to distribute own-branded products to their own clients. Partners will be charged for the administration services received.

Recent developments and future prospects

In 2006, the Group will continue to roll out its profitable growth strategy, taking advantage of the solid positions it has built up so far.

Its strategic priorities will remain unchanged: to secure its longterm growth, manage its risk exposure and improve its operating efficiency.

Building on the three core values that unite its 103,000 staff (professionalism, team spirit and innovation), the Group will continue to expand and improve its customer base, exploiting opportunities for synergies between its different businesses and geographical locations.

The French Networks will consolidate their existing franchises by increasing customer acquisition and loyalty in both the individual and SME segments. This will be achieved through the skills and talent of the network staff, and through ongoing improvements in the product offering and operating platforms designed to enhance productivity and service quality.

The Corporate and Investment Banking division will capitalize on its leadership positions in derivatives (equity, commodity, forex and interest rate derivatives), structured finance and euro capital markets to generate further growth in key European countries and retain its reputation as one of the most innovative players in the market.

The Group's growth drivers, Financial Services, Retail Banking outside France and Global Investment Management and Services will continue to make a substantial contribution: they will maintain a dynamic pace of organic growth, opening new branches and exploiting synergies between entities and business lines.

In parallel to this organic growth, the Group will look for further targeted acquisitions that meet its strict strategic and financial objectives.

2006 will also see continued preparations for the application of the new Basel II capital requirements: the business divisions and support functions are currently working to adapt the Group's financial management to the new regulatory framework.

Administration and Management of Société Générale

Pursuant to the *Statuts* (articles of association), the business affairs of Société Générale are administered by the Board of Directors, which is composed of at least nine and no more than 13 Directors elected by the shareholders and three Directors elected by the employees of Société Générale (but they should be reduced to two following the 2006 annual meeting of shareholders). The Directors elected by the shareholders are appointed for a term of four years. The Directors representing the employees are elected in compliance with the *Statuts* and in compliance with the provisions of articles L.225-27 to L.225.34 of the *Code de commerce* (French Commercial Code). They are appointed for a three year term.

In April 2003, the Board of Directors upheld the Group's monistic management structure, considering it the most suitable option for the Company in its current position. Under this structure, the Chairman, Daniel Bouton, also carries out the functions of Chief Executive Officer and is assisted by Philippe Citerne in the capacity of Chief Executive Officer. The by-laws provide for no particular limitations to the powers of the chief executive officers, who exercise their functions in accordance with the laws and regulations in force, the Company's by-laws and internal rules, and the guidelines set by the Board of Directors.

The Board of Directors of Société Générale is composed as follows:

Name	Position
Daniel BOUTON	Chairman and Chief Executive Officer
Philippe CITERNE	Chief Executive Officer
Marc VIÉNOT	Honorary Chairman Director
Jean AZÉMA	Director
Euan BAIRD	Director
Yves CANNAC	Director
Michel CICUREL	Director
Elie COHEN	Director
Robert DAY	Director
Antoine JEANCOURT- GALIGNANI	Director
Elisabeth LULIN	Director
Patrick RICARD	Director
Anthony WYAND	Director
Gérard BAUDE	Director elected by employees
Philippe PRUVOST	Director elected by employees
Marc SONNET	Director elected by employees

Further information on Société Générale's corporate governance, the board of directors, in particular a list of the principal and other activities of its members, as well as information on committees and remuneration of the senior management can be found on pages 58 – 77 of the Registration Document dated 7th April, 2006 of the Guarantor.

The members of the Board of Directors may be contacted at the Company's address 29, boulevard Haussmann, 75009 Paris (France).

In the period from May 24, 2005 to January 18, 2006, Mr. Ryotaro Kaneka, Chairman of Meiji Yasuda Life Insurance Company, was appointed non-voting director by the Board of Directors. As of January 18, 2006, Mr. Kenji Matsuo, now Chairman of Meiji Yasuda Life Insurance Company, was appointed non-voting director.

Censeurs

One or two Censeurs may be appointed for a term not exceeding four years by the Board of Directors on the proposal of the Chairman. The Censeurs are entitled to attend all meetings of the Board of Directors and assist in an advisory function. Censeurs do not have any voting right on the Board of Directors.

Directors' Interests

There are no potential conflicts of interest between any duties to Société Générale of the members of the Board of Directors and their private interests and/or other duties.

Under Article 9 of the Board's internal rules, any director in a conflict of interest situation, even a potential situation, especially when it concerns his responsibilities to another corporation, should inform the Board and abstain from voting on the corresponding resolution.

Major Shareholders

The following table gives a breakdown of the capital of and the voting rights⁽¹⁾ in Société Générale over a period of three years until 31st December, 2005:

Breakdown of capital and voting rights⁽¹⁾ over 3 years

	At Dec. 31, 2005		At Dec. 31, 2004		At Dec. 31, 2003	
	% of capital	% of voting rights	% of capital	% of voting rights	% of capital	% of voting rights
Employees and former employees via the Group employee share ownership plan	7.56	12.74	7.42	13.57	8.46	14.21
Groupama	3.05	5.61	2.97	2.92	3.02	2.89
Meiji Yasuda LifeInsurance Cy	2.55	4.75	2.49	4.73	2.52	4.68
CDC (general section)	1.87	2.96	1.87	3.10	1.97	3.14
Fondazione CRT	1.70	1.58	1.66	1.63	1.68	1.61
Dexia	1.48	1.38	1.44	1.42	1.31	1.26
CNP	1.24	1.49	(2)	(2)	(2)	(2)
Aviva	(2)	(2)	1.39	1.37	1.37	1.33
PSA	(2)	(2)	(2)	(2)	0.80	1.38
Free float	74.35	69.49	71.92	71.26	72.01	69.50
Buybacks	4.14	0.00	6.82	0.00	4.81	0.00
Treasury stock	2.07	0.00	2.02	0.00	2.05	0.00
Total	100.00	100.00	100.00	100.00	100.00	100.00
Number of outstanding shares	434,288,181	465,977,455	445,153,159	452,307,138	438,434,749	457,086,131

To the best of Société Générale's knowledge, no other shareholders hold more than 1% of the capital or voting rights (excluding undertakings for collective investment in transferables securities (UCITS)).

(1) Including double voting rights (Article 14 of the Company's by-laws).

(2) Shareholders with less than 1% of capital or voting rights.

Financial information concerning Société Générale

Financial Information for Fiscal Year 2004

The audited annual consolidated financial statements (including the notes thereto) for the financial year ended 31st December, 2004 in accordance with French GAAP of Société Générale are set out on pages 288 – 332, and with respect to the report of the statutory auditor, on page 333, of the Registration Document dated 7th April, 2006 of the Guarantor.

The audited annual consolidated financial statements (including the notes thereto) for the financial year ended 31st December, 2004 in accordance with IFRS of Société Générale are set out on pages 349 – 377, and with respect to the report of the statutory auditor, on page 378, of the Registration Document dated 7th April, 2006 of the Guarantor.

The audited annual unconsolidated financial statements (including the notes thereto) for the financial year ended 31st December, 2004 in accordance with French GAAP of Société Générale are set out on pages 334 – 347, and with respect to the report of the statutory auditor, on page 348, of the Registration Document dated 7th April, 2006 of the Guarantor.

Financial Information for Fiscal Year 2005

The audited annual consolidated financial statements (including the notes thereto) for the financial year ended 31st December, 2005 in accordance with IFRS of Société Générale are set out on pages 138 – 224, and with respect to the report of the statutory auditor, on pages 269 and 270, of the Registration Document dated 7th April, 2006 of the Guarantor.

The audited annual unconsolidated financial statements (including the notes thereto) for the financial year ended 31st December 2005 in accordance with French GAAP of Société Générale are set out on pages 227 – 251 of the Registration Document dated 7th April, 2006 of the Guarantor.

Selected Financial Information of Société Générale

The following selected consolidated financial information of Société Générale has been derived from the annual consolidated financial statements of Société Générale for the financial years ended 31st December, 2004 and 2005 in accordance with IFRS which are contained in the Registration Document dated 7th April, 2006 of the Guarantor.

	2005	2004	Change	
			<i>In millions of euros</i>	
Net banking income	19,170	16,390	+17.0%	+14.8%*
Operating expenses	(12,156)	(11,062)	+9.9%	+7.9%*
Gross operating income	7,014	5,328	+31.6%	+29.1%*
Net allocation to provisions	(448)	(568)	-21.1%	-40.1%*
Operating income	6,566	4,760	+37.9%	+37.3%*
Net income of companies accounted for by the equity method	19	40	-52.5%	
Net income on other assets	158	195	-19.0%	
Impairment losses on goodwill	(23)	4	NM	
Income tax	(1,795)	(1,376)	+30.5%	
Net income before minority interests	4,925	3,623	+35.9%	
Minority interests	(479)	(342)	+40.1%	
Net income	4,446	3,281	+35.5%	+36.4%*
C/I ratio	63.4%	67.5%		
Average allocated capital	17,474	16,324	+7.0%	
ROE after tax	25.3%	20.1%		

* When adjusted for changes in Group structure and at constant exchange rates
2004: IFRS (excluding IAS 32 & 39 and IFRS 4)
2005: IFRS (including IAS 32 & 39 and IFRS 4)

Litigation

Except as disclosed in this Prospectus, there are no litigation, arbitration or administrative proceedings relating to claims or amounts which are material in the context of the Programme or the issue of Notes thereunder to which Société Générale is a party nor, to the best of the knowledge and belief of Société Générale, are there any threatened litigation, arbitration or administrative proceedings relating to claims or amounts which are material in the context of the Programme or the issue of Notes thereunder which would in either case jeopardise its ability to discharge its obligations in respect of the Programme or of Notes issued thereunder.

The most significant litigation in which Société Générale is currently involved is briefly described in the section headed "Risks and Litigation" on pages 130 – 132 of the Registration Document dated 7th April, 2006 of the Guarantor.

TAXATION

A. Federal Republic of Germany

The following discussion of certain German tax consequences of buying, holding or disposing of the Notes is based on tax laws, regulations, decisions, judgments and administrative decrees currently in effect, which may be amended or construed differently, potentially with retroactive or retrospective effect. However, this section does not refer to all possible tax considerations which are relevant to the decision of any potential purchaser with respect to buying, holding or disposing of a Note; in particular, it does not refer to specific circumstances which may be relevant to certain purchasers. This means that the following text exclusively refers to Notes as an investment as such (unless expressly indicated otherwise) and does not address any persons in their specific tax situation. The information contained in the following section is not intended as and does not purport to be legal or tax advice.

Potential investors in the Notes are therefore advised to consult their own tax advisers as to the German and other tax consequences of buying, holding or disposing of the Notes.

German Tax Residents

Taxation of Interest Income

Under German tax law, currently in effect, payment of principal on the Notes is not subject to German taxation whereas payment of interest on the Notes, including payment for interest accrued to a disposal of a Note and which is credited separately (“Accrued Interest“; *Stückzinsen*) to persons who are tax residents of Germany (including persons whose residence, habitual abode, statutory seat or place of management is located in Germany, a “**German Holder**“) is subject to German income or corporate income tax. If the Notes are held in a German business establishment for trade tax purposes, interest income derived from the Notes will also be subject to trade tax on income, which is a municipal tax levied at an effective tax rate of currently 12% to 20% depending on the trade tax factor applied by the relevant municipality.

Withholding Tax on Interest Income

If the Notes are held in a custodial account maintained by a German Holder with a German branch of a German or foreign bank or financial services institution (a “**German Disbursing Agent**“), which pays or credits the interest, a 30% withholding tax (*Zinsabschlagsteuer*) on interest payments, including Accrued Interest received, plus a 5.5% solidarity surcharge thereon, will be levied, resulting in a total withholding tax charge of 31.65% on the gross amount of interest paid. Accrued Interest paid by a German Holder upon the purchase of the Notes may be set-off against the amount of interest income received by such German Holder and, under certain circumstances, may reduce the amount subject to withholding tax. If the Notes are presented for payment or credit at the office of the German Disbursing Agent (over-the-counter-transaction; *Tafelgeschäft*) the withholding tax will be imposed at a rate of 35% (plus a 5.5% solidarity surcharge thereon), resulting in a total tax charge of 36.925%.

If the Noteholder is an individual to whom income from the Notes constitutes income from a capital investment and such Noteholder has filed a certificate of exemption (*Freistellungsauftrag*) with the German Disbursing Agent, no tax will be withheld by the German Disbursing Agent to the extent that the interest income derived from the Notes together with other investment income administered by the German Disbursing Agent does not exceed the maximum exemption amount shown on this certificate. Similarly, no tax will be withheld if the Noteholder submits to the German Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the competent local tax office.

Withholding tax and the solidarity surcharge thereon might be credited as prepayments against the German Holder’s final tax liability for German personal or corporate income tax purposes and the respective solidarity surcharge, or, if in excess of such final tax liability, refunded upon application.

German tax resident individuals (private investors) are entitled to a standard deduction (*Werbungskostenpauschbetrag*) of EUR 51 (EUR 102 for married couples filing their tax return jointly) in computing their income from capital investment (including income earned from the Notes) as well as a personal annual exemption (*Sparer-Freibetrag*) of EUR 1,370 (EUR 2,740 for married couples filing their tax return jointly) with respect to such investment income.

Disposal or Redemption of the Notes

Capital gains resulting from the disposal or redemption of Notes (or, as the case may be, from the payment at maturity of the Notes) realised by individual German Holders holding the Notes as private assets (“Private German Investors“) are generally taxable if the capital gain is realised within one year after the acquisition of the Notes. Capital losses realised by Private German Investors in respect of the Notes may only be set-off against taxable capital gains resulting from a disposal of Notes or from other private transactions within the same financial year and, subject to certain limitations, in the preceding year or in subsequent years.

Capital gains realised by Private German Investors are only taxable if the aggregate amount derived from taxable private transactions exceeds an exempt threshold (*Freigrenze*) of EUR 512 in one calendar year.

Capital gains derived from the disposal or redemption of Notes are not subject to German income tax if the Notes are sold or redeemed more than one year after their acquisition, provided that the Notes do not qualify as financial innovations, as described under the following caption “Special Rules for Financial Innovations”.

Irrespective of a holding period, any capital gain resulting from the disposal or redemption of Notes (or, as the case may be, from the payment at maturity of the Notes) are subject to income or corporate income tax, including trade tax, if such Notes are held as business assets of a German Holder.

Special Rules for Financial Innovations

To the extent that Notes are classified as financial innovations (“Financial Innovations“; *Finanzinnovationen*), special provisions apply to the disposal or redemption, or upon maturity, of such Notes. In particular, debt instruments may classify as Financial Innovations if they provide for a floating rate, an issue discount or certain optional redemption rights.

If Notes are classified as Financial Innovations, capital gains arising upon the disposal or redemption, or upon maturity, of Notes realised by a Private German Investor (including capital gains so derived by a secondary or subsequent purchaser who is a Private German Investor) are subject to income tax in an amount equivalent to the pro rata yield to maturity, regardless of the one-year holding period described above under the caption “Disposal or Redemption of the Notes“. If no yield to maturity (*Emissionsrendite*) can be established, the difference between the proceeds from the disposal or redemption and the purchase price of the Notes (market yield; *Marktrendite*), is deemed to be interest income. If Notes are denominated in a currency other than Euro, the market yield is calculated in the respective currency. Currency gains are only taxable if the disposal or redemption occurs within one year after the acquisition of the Notes. If a yield to maturity can be established, only the part of the capital gain attributable to such yield to maturity during the period the respective German Private Investor held the Note is subject to income tax.

Upon the disposal or redemption, or upon maturity of Notes that are classified as Financial Innovations, the market yield is subject to 30% withholding tax (plus a solidarity surcharge of 5.5% thereon) if the Notes are held in a custodial account by the same German Disbursing Agent since the acquisition of the Notes. If the Notes have not been so held by the same German Disbursing Agent, withholding tax will be imposed at the rate of 30% of the proceeds received upon the disposal or redemption, or upon the maturity, of the Notes.

As described above such withholding tax might be credited or refunded upon application.

German Tax Non-Residents

Income derived from the Notes by persons who are not tax residents of Germany (“Non-German Holders“) is in general exempt from German income or corporate income taxation, and no withholding tax shall

be withheld (even if the Notes are held with a German Disbursing Agent), provided (i) the Notes are not held as business assets of a German permanent establishment of the Non-German Holder, including a permanent representative, or fixed base of the Noteholder, (ii) the income derived from the Notes does not otherwise constitute German source income (such as income from the letting and leasing of certain German situs property), (iii) the Notes are not presented for payment at the offices of a German branch of a German or foreign bank or financial services institution in an over-the-counter-transaction (*Tafelgeschäft*) and, (iv) in the event that the Notes are held in a custodial account maintained by a German Disbursing Agent, the Noteholder complies with the applicable procedural rules under German law and provides evidence of the fact that the Notes are not subject to taxation in Germany.

If the interest is subject to German taxation (for example, if the Notes are held as business assets of a German permanent establishment of a Non-German Holder), such holder is subject to a tax treatment similar to that described above under the caption "German Tax Residents".

If the Notes are offered by the Issuer other than in the Federal Republic of Germany, information relating to withholding tax may be disclosed in the Final Terms or, in the event of an offer which is made after completion of the Final Terms, in a supplement to this Debt Issuance Programme Prospectus.

European Union Directive on the Taxation of Savings Income

On 3 June 2003 the Council of the European Union ("ECOFIN") approved a directive regarding the taxation of interest income. Accordingly, each EU Member State must provide to the tax authorities of the other Member States details of the payment of interest made by a person in its jurisdiction to any individual resident in the other relevant EU Member State.

For a transitional period, Austria, Belgium and Luxembourg may opt instead to withhold tax from interest payments within the meaning of the directive at a rate of 15% for the first three years from application of the provisions of the directive, 20% for the subsequent three years, and 35% from the seventh year after application of the provisions of the directive.

The Council of the European Union agreed that the provisions to be enacted for implementation of the directive had to be applied by the member states as of 1 July 2005. This presupposed that (i) Switzerland, Liechtenstein, San Marino, Monaco and Andorra apply measures equivalent to those contained in the directive, in accordance with agreements entered into by them with the European Community and (ii) also all the relevant dependent or associated territories (the Channel Islands, the Isle of Man and the dependent or associated territories in the Caribbean) apply from that same date an automatic exchange of information or, during the transitional period described above, apply a withholding tax in the described manner.

By legislative regulations dated 26 January 2004, the German Federal Government enacted the provisions for implementing the directive into German law, which entered into full force and effect on 1 July 2005.

Gift or Inheritance Taxation

No estate, inheritance or gift taxes with respect to any Notes will arise under the laws of Germany, if, in the case of estate and inheritance taxes, both the decedent and the beneficiary, and, in the case of gift taxes, both the donor and the donee, are tax non-residents and are not deemed to be a tax resident of Germany at the time of the transfer and such Notes are not attributable to a permanent establishment in Germany. In the case of a decedent, donor or heir who is a German national, this only applies if such person has been a non-resident of Germany for more than five consecutive years.

Stamp Duty

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Notes. Currently, net assets tax is not levied in Germany.

B. Austria

The following is a brief summary of certain Austrian tax aspects in connection with the Notes. It does not claim to fully describe all Austrian tax consequences of the acquisition, ownership, disposition or redemption of the Notes. In some cases a different tax regime may apply. Further, this summary does not take into account or discuss the tax laws of any country other than Austria nor does it take into account the investors' individual circumstances. Prospective investors are advised to consult their own professional advisors to obtain further information about the tax consequences of the acquisition, ownership, disposition or redemption of the Notes. Only personal advisors are in a position to adequately take into account special tax aspects of the particular Notes in question as well as the investor's personal circumstances and any special tax treatment applicable to the investor.

This summary is based on Austrian Law as in force when drawing up this Prospectus. The laws and their interpretation by the tax authorities may change and such changes may also have retroactive effect. With regard to certain innovative or structured financial instruments there is currently neither case law nor comments of the financial authorities as to the tax treatment of such financial instruments. Accordingly, it cannot be ruled out that the Austrian financial authorities and courts or the Austrian paying agents adopt a view different from that outlined below.

This summary does not describe the tax consequences for a holder of Notes that are redeemable in exchange for, or convertible into, shares or other securities or rights or which in other way provide for physical settlement, of the exchange, exercise, physical settlement or redemption of such Notes and/or any tax consequences after the moment of exchange, exercise, physical settlement or redemption.

Austrian Resident Taxpayers

Income derived by individuals or corporations resident in Austria is taxable pursuant to the Austrian Income Tax Act (*Einkommensteuergesetz*) or the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*).

Risk of re-qualification of Notes as investment fund units

Certain Notes such as non-capital guaranteed basket or index linked notes, fund linked notes or credit linked notes may be re-qualified by the tax authorities as foreign investment fund units under certain conditions. Pursuant to Sec 42 of the Austrian Investment Fund Act, a portfolio of assets which is subject to the laws of a foreign country and which is invested according to the principle of risk-spreading is qualified as non-Austrian investment fund for tax purposes, without regard to its legal form (substance over form approach). Pursuant to the Investment Fund Guidelines issued by the Austrian Ministry of Finance, asset or index linked notes cannot be re-characterized as foreign investment fund units if neither the issuer nor a trustee of the issuer acquires a major part of the underlying assets and if the underlying assets are not actively managed. In case of index linked notes a re-qualification into a fund could take place if the issuer or a trustee of the issuer acquires a major part of the underlying assets (asset backing). In case of hedge fund index linked notes no re-qualification can take place if there is no asset backing and the hedge fund index is recognizable (diversified, sufficiently published, adequately market referenced). For capital guaranteed Notes the re-qualification risk is lower than for non capital guaranteed Notes.

Investment funds are treated as transparent for income tax purposes. Taxable income from investment funds includes distributions as well as retained earnings of the fund deemed to be distributed to the investor ("*ausschüttungsgleiche Erträge*"). Such retained earnings are deemed to be distributed to the investor for tax purposes to the extent of the share interest of the investor no later than four months after the end of the business year of the investment fund in which the earnings were derived by the fund. If no Austrian tax representative is appointed for the fund and the retained earnings of the fund deemed to be distributed to the investor are also not reported to the tax authorities by the investors themselves, the non-Austrian fund will be qualified a "black

fund” and the retained earnings of the fund deemed to be distributed each calendar year will be determined on a lump-sum-basis which will result in a tax base of 90% of the difference between the first and the last redemption price of the fund units fixed in a calendar year, at least, however, 10 % of the last redemption price (or net asset value (NAV) or stock exchange price) of the fund units fixed in a calendar year. As the applicable tax rate is 25% for corporate investors as well as, in general, for individuals, this minimum lump sum tax base results in a minimum tax of 2,5% per year on the last redemption price (NAV) in any calendar year before maturity. In case of sale (redemption) of black foreign investment fund units the tax base would be the difference between the redemption price (NAV) upon disposal and at the end of the last calendar year, at least, however, 0,8% of the redemption price (NAV) upon disposal for each month of the current calendar year. The investors will have to include the pertaining income into their income tax statement. Further, non-Austrian investment fund units, with the exception of funds that are daily reporting relevant figures to the Oesterreichische Kontrollbank, which are held in an Austrian bank deposit are subject to an annual 1,5 % compliance tax (calculated on the last redemption price (NAV) in any calendar year) unless the investor discloses the funds vis-à-vis the Austrian tax authorities and evidences this to the Austrian bank. Moreover, a pro rata compliance tax applies in the calendar year of the sale or redemption of the fund unit. This compliance tax will automatically be deducted by the Austrian bank.

In the following we assume that the Notes do not qualify as foreign investment funds for income tax purposes.

Individuals

Generally, income arising from the Notes will qualify as income from debt-securities (*Kapitalerträge aus Forderungswertpapieren*). Income from debt-securities includes (i) interest payments as well as (ii) income, if any, realized upon redemption or prior redemption (being the difference between the issue price and the redemption amount, or in case of prior redemption, the repurchase price - a maximum 2 % tax-exempt threshold applies to specified Notes bearing also ongoing coupons; in practice, however, this exemption is not available for index linked notes) or (iii) realized upon sale of the Notes (only to the extent of accrued interest and comparable consideration for future fixed redemption or interest payments but excluding capital gains, - in case of index, share, fund, commodity or other underlying linked notes including discounted share certificates and bonus certificates, however, the whole gain would be treated as income from debt-securities, see also below “Certain aspects of the tax treatment of certain notes”).

If income from debt-securities is paid out by a coupon paying agent (*kuponauszahlende Stelle*) located in Austria, it is subject to 25% Austrian withholding tax (*Kapitalertragsteuer-KES*). The coupon paying agent is the bank, including an Austrian branch of a non-Austrian bank, which pays out such income to the holder of the Notes.

Provided that the Notes have been offered to the public within the meaning of Sec 97 of the Austrian Income Tax Act, the 25% withholding tax constitutes a final taxation (*Endbesteuerung*) for all individuals, no matter whether they act as private investors or hold the Notes as business property. Final taxation means that no further income tax will be assessed and the income is not to be included in the investor's income tax return. Final taxation is only applicable to income from debt-securities. As regards the taxation of capital gains please see below.

Where there is no deduction of Austrian withholding tax because the income from the Notes is not received in Austria (not paid out by a coupon paying agent located in Austria) Austrian investors will have to declare the income derived from the Notes in their income tax returns pursuant to the Austrian Income Tax Act. A special 25% income tax rate pursuant to Sec 37 subpara 8 of the Austrian Income Tax Act is applicable provided that the Notes have been offered to the public within the meaning of Sec 37 subpara 8 of the Austrian Income Tax Act.

Individuals whose regular personal income tax rate is lower than 25% may opt for taxation of the income derived from the Notes at such regular personal income tax rate. In this case, the withholding tax will be

credited against the income tax liability and the excess amount shall be refunded. Expenses incurred by the investor in connection with income derived from the Notes are not deductible.

Upon the sale of the Notes accrued interest realised upon such sale is taxed as income from debt-securities being subject to withholding tax and final taxation as set out above (with regard to index, share, fund, commodity or other underlying linked notes including discounted share certificates and bonus certificates the whole gain would be treated as income from debt-securities, see below “Certain aspects of the tax treatment of certain notes”). For private investors, any additional capital gain on the disposal of the Notes is taxable if the disposal takes place within one year after the date of the acquisition of the Notes pursuant to Sec 30 Income Tax Act (*Spekulationsgeschäft* - speculative transaction). Such speculative gain is taxed at normal progressive income tax rates amounting up to 50% if the total of such speculative gain exceeds 440 Euro per year. If the Notes qualify as business assets, capital gains on the disposal are taxable irrespective of the date of the disposal at normal progressive income tax rates.

Corporations

Corporate investors deriving business income from the Notes may avoid the application of withholding tax by filing a declaration of exemption (*Befreiungserklärung*) with the coupon paying agent. Income including any capital gain derived from the Notes by corporate investors is subject to corporate income tax at the general rate of 25%. There is, *inter alia*, a special tax regime for Private Foundations established under Austrian law (*Privatstiftungen*).

Certain aspects of the tax treatment of certain notes

Upon the sale of zero bonds the difference between the issue price and the proceeds from the sale would be taxable as income from debt-securities being subject to withholding tax (where such withholding tax applies) merely to the extent of the difference between the issue price and the inner value of the notes; any additional capital gain would be taxable for private investors (only) pursuant to Sec 30 Income Tax Act (*Spekulationsgeschäft* – speculative transaction) if the sale took place within one year after the date of the acquisition of the Notes.

Relating to index linked notes, the whole gain realized upon redemption or sale of the notes is treated as income from debt-securities and therefore also subject to withholding tax (where such withholding tax applies). The taxable gain is calculated as difference between issue price and redemption amount/sales price. The same tax treatment applies to share, fund, commodity or other underlying linked notes including discounted share certificates and bonus certificates – for these, the whole gain is treated as income from debt-securities.

Presently, the tax authorities have not yet decided the question whether notes where only the coupon(s) but not the redemption amount is (are) linked to an index or other underlying must be treated as "index linked notes" – in such case the (whole) difference amount between issue price and sale price is subject to withholding tax – or as normal debt-securities. In the latter case the difference amount is taxable for private investors (only) pursuant to Sec 30 Income Tax Act (speculative transaction).

Income from floating rate notes should, in general, qualify as interest resulting in income from debt-securities. Currency gains are, in general, taxed as capital gain rather than as income from debt-securities. However, where the currency gain is determined already in the terms and conditions of the Notes or where a foreign currency only serves as underlying for a performance linked Note the respective income should rather qualify as income from debt-securities.

Income from leveraged certificates (turbo certificates), i.e. certificates which may be subscribed at a lower price than the underlying's current market price, qualifies as income from debt-securities subject to 25% Austrian withholding tax provided that the leverage factor applied upon subscription/issue to the certificates' subscription price is less than five (the certificate's subscription price amounts to more than 20 per cent of the underlying's market price). If the leverage factor is at least five, income from the sale or redemption of the certificates will not be subject to the 25% withholding tax (but qualify as capital gain potentially subject to

taxation as speculative transaction, see above under "individuals") provided that the leverage factor is sufficiently evidenced by the foreign issuer submitting the terms and conditions of the Notes to the Oesterreichische Kontrollbank AG before or within 24 hours after the first offering of the Notes in the Austrian market.

Guidelines issued by the Austrian Ministry of Finance provide further details for the tax treatment of some other structured financial instruments. In case of reverse convertibles (cash or share-notes) bearing high interest the full coupon would be treated as interest; however, pursuant to current practice losses incurred upon the redemption could with an amount equalling to the interest income of the last coupon payment period be set-off upon redemption against the interest income (also) by private investors (Income Tax Guidelines no. 6198). In case of exchangeable notes bearing low interest the issue price is split up into a bond and the price for the right of exchange (option) which leads to the recalculation of the issue price for tax purposes.

Tax consequences of exchange/conversion or of any other physical settlement of Notes are not discussed in this context. This entire outline of the taxation of the Notes is based on the assumption that the Notes will be treated as debt-securities (*Forderungswertpapiere*) and will not be qualified as equity instruments for tax purposes such as shares or equity participation rights (*Substanzgenussrechte*). Further, this outline is based on the assumption that the Notes do not qualify as derivative instruments or contracts for differences resulting for private investors in taxation of capital gain pursuant to Sec 30 Income Tax Act (*Spekulationsgeschäft*) at progressive rates rather than being subject to withholding tax. Pursuant to Sec 30 Income Tax Act certain types of transactions such as the sale of securities would be taxable for private investors only if carried out within one year following the acquisition (speculative period) whereas other transactions such as futures, forwards or contracts for differences (*Differenzgeschäfte*) would be taxable irrespective of the one year speculative period.

Non-Residents

Income including any capital gain derived from the Notes by individuals who do not have a domicile or their habitual abode in Austria ("non-residents") is not taxable in Austria provided that the income is not attributable to a permanent establishment or other Austrian source income taxable in Austria (for withholding tax under the EU Savings Directive see below; tax consequences of a re-qualification into a foreign investment fund are not discussed with regard to non-residents herein).

Income including any capital gain derived from the Notes by corporate investors who do not have their corporate seat or their place of management in Austria ("non-residents") is not taxable in Austria provided that the income is not attributable to a permanent establishment or other Austrian source income taxable in Austria.

Thus, non-resident investors - in case they receive income from the Notes through a coupon paying agent located in Austria - may avoid the application of Austrian withholding tax if they evidence their non resident-status vis-à-vis the coupon paying agent by disclosing their identity and address. Non-residents who are Austrian citizens or citizens of a neighboring country will have to confirm their non-resident status in writing to the coupon paying agent. The provision of evidence that the investor is not subject to Austrian withholding tax is the responsibility of the investor.

If any Austrian withholding tax is deducted by the coupon paying agent, the tax withheld shall be refunded to the non-resident investor upon his application, which has to be filed with the competent Austrian tax authority within five calendar years following the date of the imposition of the withholding tax.

Where non-residents receive income from the Notes as part of business income taxable in Austria (permanent establishment), they will be, in general, subject to the same tax treatment as resident investors.

EU Council Directive on Taxation of Savings Income

The EU Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (Savings Directive), which came into effect on July 1, 2005, provides for an exchange of information between

the authorities of EU member states regarding interest payments made in one member state to beneficial owners who are individuals and resident for tax purposes in another member state. Austria has implemented the Savings Directive by way of the EU Withholding Tax Act (*EU-Quellensteuergesetz*) which provides for a withholding tax rather than for an exchange of information. Such EU Withholding tax will be levied on interest payments within the meaning of the EU Withholding Tax Act made by a paying agent located in Austria to an individual resident for tax purposes in another member state. The EU Withholding Tax amounts to 15% during the first three years, 20% for the subsequent three years and 35% thereafter.

Withholding tax will be deducted upon actual or deemed interest payments as well as upon sale, refund or redemption of debt claims. Further, withholding tax will be deducted - on a *pro rata temporis* basis - in case of changes of the individual's withholding tax status such as changes of his country of residence or transfer of his securities to a non Austrian account.

Deduction of EU withholding tax can be avoided if the EU-resident investor provides the paying agent with a certificate drawn up in his name by the tax office of his member state of residence. Such certificate has to indicate, inter alia, the name and address of the paying agent as well as the account number of the investor or the identification of the Notes.

The scope of the definition of interest payments for EU Withholding Tax purposes may differ from the scope of interest payments for Austrian income and withholding tax purposes. For example, under certain conditions and subject to the guidelines and information issued by the Austrian Ministry of Finance income from share linked notes, index linked notes or fund linked notes may not be considered as interest for EU Withholding Tax purposes while being interest for Austrian tax purposes.

Notes without capital guarantee (the term "capital guarantee" for such tax purposes is deemed to include guaranteed interest payments) are treated as follows: Factually paid interest amounts are subject to EU Withholding Tax. Difference amounts from notes linked to shares, share indices, metals, currencies and the like which are not in advance guaranteed are not subject to EU Withholding Tax. Such difference amounts derived from notes linked to bonds or bond indices are not subject to EU Withholding Tax if the index or basket is comprised of minimum five differing bonds from differing issuers, if the portion of a single bond does not exceed 80% of the index and, with regard to dynamic notes, the 80%-threshold is complied with throughout the entire term of the notes. With regard to notes linked to funds or fund indices, the difference amounts do not qualify as interest within the meaning of the EU Withholding Tax Act, if the index/fund is composed of minimum five differing funds and a portion of each fund does not exceed 80%; in the case of dynamic notes the 80%-threshold must be complied with during the entire term of the notes. If notes are linked to mixed indices composed of funds as well as of bonds, difference amounts do not qualify as interest within the meaning of the EU Withholding Tax Act, if the index is composed of minimum five bonds and five funds of differing issuers and a portion of a single bond or a single fund does not exceed 80% of the pertaining index.

Relating to capital guaranteed notes, factually paid interest amount guaranteed or not, is subject to EU Withholding Tax. Non-guaranteed income, like difference amounts (yield upon issue and capital gains) are treated as follows: If the underlying qualifies as bond, interest rate or inflation rate, then the difference amounts will qualify as interest within the meaning of the EU Withholding Tax Act and be subject to EU Withholding Tax. If shares, share indices, share baskets, metals, currencies and commodities are referred to as underlyings, the difference amounts are not subject to EU Withholding Tax. If funds and fund indices are referred to as underlying, the difference amounts are not subject to EU Withholding Tax, provided that the funds do not generate interest income within the meaning of the EU Withholding Tax Act. Should the underlyings qualify as certificates or other securities the proceeds of which do not qualify as interest subject to EU Withholding Tax, then the difference amounts derived therefrom are not subject to EU Withholding Tax, too.

Provided that Notes are re-qualified as foreign investment fund units and the interest income of the fund deemed to be distributed to the investors is not reported on a daily basis to the Austrian central depository bank (*Oesterreichische Kontrollbank – OeKB*), Austrian paying agents shall deduct EU Withholding Tax on a

lump sum tax base of 6 % of the last redemption price (NAV) of the fund units fixed in a calendar year. Moreover, a pro rata EU Withholding Tax applies in the calendar year of the sale or redemption of the fund unit.

Inheritance and Gift Tax

Inheritance and gift tax is levied on inheritances, gifts and special purpose donations as defined in the Austrian Inheritance and Gift Tax Act (*Erbschafts- und Schenkungssteuergesetz*). If either the transferor or the transferee has a domicile or an habitual abode in Austria, such transfers are subject to taxation in Austria. The tax rates range from 2% to 60% and depend upon the value of the acquired assets as well as upon the personal relationship between the transferee and the transferor.

Notes held by private investors are exempt from inheritance tax if they qualify for final (income) taxation or for the special 25% income tax rate pursuant to Sec 37 para 8 Income Tax Act on the date of the private investor's death. This exemption is restricted to inheritance tax and does not apply to gifts and special purpose donations. Special rules may apply under an applicable double taxation treaty.

Other Taxes

There is no transfer tax, registration tax or similar tax payable in Austria by holders of Notes as a consequence of the acquisition, ownership, disposition or redemption of the Notes. The sale and purchase of securities as well as the redemption of Notes is in general not subject to Austrian stamp duty provided that no other transaction potentially taxable under the Austrian Stamp Duty Act (*Gebührengesetz*) such as a loan or credit agreement is entered into for which a document (*Urkunde*) within the meaning of the Stamp Duty Act is executed.

ADDITIONAL INFORMATION REGARDING THE SECURITIES OFFERED AND THE OFFER

Yield

The yield and the method whereby the yield is calculated will in each case be disclosed in the Final Terms if this is practicable at the time the Final Terms are published.

Basis of Authorisation

No specific resolutions, authorisations or approvals by the Issuer's corporate bodies are required for the issue of Notes under the Programme.

No authorisation procedures are required of Société Générale by French law for the establishment of the Programme on a fiduciary basis or the granting of the guarantee in respect of the Notes.

Selling Restrictions

The Notes are freely transferable. Offers and sales of Notes issued under this Programme are subject to the selling restrictions applicable in the jurisdictions where the Notes are offered or sold. The selling restrictions in respect of such jurisdictions as are parties to the Agreement on the European Economic Area (EEA), the United States and the UK are set out below. Additional selling restrictions, if any, may be set out in the Final Terms.

(i) *EEA States*

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (the "Prospectus Directive") (each, a "Relevant Member State"), each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of

sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

(ii) *United States*

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (the "Securities Act") and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. Each Dealer has agreed that it will not offer, sell or deliver any Notes within the United States, except as permitted by the Dealer Agreement.

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

(iii) *United Kingdom*

Each Dealer has represented, warranted and agreed and each further Dealer appointed will be required to represent, warrant and agree that:

- (1) in relation to any Notes which must be redeemed before the first anniversary of the date of their issue, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Issuer;
- (2) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not, or would not, if it was not an authorised person, apply to the Issuer; and
- (3) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

Timetable and Action Required to Apply for the Offer

The issue is offered for subscription by the Issuer or for purchase by the Dealer(s) which may have underwritten all or part of the issue. In addition, following an admission to stock exchange listing, the Notes may be purchased through the stock exchange or at the Dealer(s), as the case may be.

Determination of Offer Price and Terms of the Offer

The offer price and the amount of Notes issued under this Programme will be determined by the Issuer, the Guarantor and the relevant Dealer(s) in their reasonable discretion on the basis of prevailing market conditions at the time of the offer or in any other manner as specified in the relevant Final Terms.

Total Amount Offered or Issued

The total amount offered will be specified in the Final Terms. If the total amount issued is different from the total amount offered, the total amount issued will be published in a leading newspaper with a general circulation in the jurisdiction(s) where the Notes are offered in accordance with Condition 13 of the Terms and Conditions in a manner and at such time (but not earlier than the issue date) as specified in the Final Terms.

Offer Period

The Notes will be offered either continuously or within the stated time period of the offer on the basis of the relevant current price as determined in accordance with prevailing market conditions or in any other manner as specified in the relevant Final Terms. The Issuer reserves the right to end the offer before the expiry of any stated offer period, if subscription applications have been made in an amount equal to the total amount of Notes offered, or to extend the offer period. If during the relevant period of the offer, the market environment or other external conditions relevant to the issue change to such a material extent that in the view of the Issuer, the offer of the Notes is no longer consistent with the prevailing market situation, the Issuer will be entitled either to end the offer before the expiry of the stated time period or not to issue the Notes.

Payment of Subscription Price

Payment of the subscription price will be made on the basis of individual purchase agreements between the relevant Dealer(s) and the investors. No prepayment of the Notes will be made, except as otherwise provided in the Final Terms. In respect of a Series of Notes, the minimum subscription amount, if different from the Specified Denomination, or the maximum subscription amount, if different from the Aggregate Principal Amount, will be specified in the Final Terms.

Delivery

Delivery and payment in the case of the initial subscription will be made on the issue date, and thereafter in accordance with the individual purchase agreements, in each case by delivery against payment via the relevant Clearing System pursuant to the rules applicable to such Clearing System.

Subscription Rights

There will be no subscription rights.

Categories of Target Investors and Target Markets

If the offer is limited to certain markets and/or categories of target investors, this will be specified in the Final Terms. Otherwise, the Notes may be subscribed for or purchased by any investor, unless this is contrary to applicable provisions of law.

Allotment Procedure

If an allotment procedure has been provided for, the details, in particular those of the notification to applicants of the amount allotted and indication whether dealing may begin before notification is made, will be specified in the Final Terms.

Placing and Underwriting

Paying Agents

The Issuer will appoint Société Générale, Frankfurt branch, to act as Paying Agent. The Issuer may appoint further paying agents other than the Paying Agent referred to above and will give notice of any changes made to such Paying Agent. The relevant Paying Agent(s) will be specified in the Final Terms.

Underwriting

Unless otherwise specified in the Final Terms, the Notes issued under this Programme will be underwritten in whole by Société Générale in its capacity as Dealer and/or by any additional Dealer specified in the Final Terms pursuant to a dealer agreement entered into between the Issuer and Société Générale.

Calculation Agent

Details relating to the calculation agent, if any and if different from Société Générale, can be found in the Final Terms.

Admission to Trading and Dealing Arrangements

Admission to Trading

The Issuer may apply for the admission of the Notes issued on the basis of this Prospectus to trading on the Official Market and the Regulated Market of the Frankfurt Stock Exchange or any other regulated or unregulated market in the European Economic Area, as specified in the Final Terms.

Secondary Market

Information relating to a secondary market making, if any, will be set forth in the relevant Final Terms.

Additional Information

Advisers

If any advisers are involved in an issue, such advisers will be set out in the Final Terms.

Audit Reports

The issues of Notes will be audited or reviewed by a statutory auditor only in connection with the auditing of the annual or interim financial statements of the Issuer, to the extent such audits are required.

Experts

In connection with the preparation of this Prospectus, the Issuer has not relied on statements made by experts.

Information Sources

Details relating to the information sources from which information included in the Final Terms have been obtained can be found in the relevant Final Terms.

Credit Rating

Due to the issue of the Notes by the Issuer on a fiduciary basis for the benefit and for the account of the Guarantor, the Noteholders directly depend on the credit risk of the Guarantor (see “Description of the Trust

Agreement and the Limitation of Recourse”). As of the date of approval of this Prospectus, the Guarantor has received the following ratings from Standard and Poor’s, Moody’s and Fitch set out below:

Aa2 Moody’s

AA- Standard & Poor’s

AA- Fitch

(see ”Risk Factors – Risk Factors Relating to the Notes”).

Post-Issuance Information

The Issuer does not intend to provide any post-issuance information in relation to any assets underlying issues of Notes constituting Structured Notes.

DOCUMENTS AVAILABLE FOR INSPECTION

During the validity of this Prospectus, the following documents are available for inspection at the registered offices of Société Générale, Frankfurt Branch, at Mainzer Landstraße 36, 60325 Frankfurt am Main:

- the Issuer's articles of association as amended on 5th October, 1990;
- the Issuer's audited financial statements as well as the management reports and cash-flow statements for the years ended 31st December, 2003 and 2004;
- this Prospectus and any supplementary information that the Issuer may be required to provide pursuant to § 16 of the Securities Prospectus Act (*Wertpapierprospektgesetz*) as well as the "Final Terms" containing the final terms in relation to Notes offered for public subscription and/or listed Notes;
- the document to be provided annually following the disclosure of the financial statements pursuant to § 10 of the Securities Prospectus Act;
- the Agency Agreement entered into by the Issuer and the Guarantor;
- Société Générale's articles of association in the current version;
- Société Générale's annual reports for the years ended 31st December, 2004 and 2005 including the audited consolidated and unconsolidated financial statements for the years 2004 and 2005;
- the Guarantee dated 21st December, 2006 of Société Générale in favour of the Noteholders; and
- the Trust Agreement between the Issuer and Société Générale dated 28th February, 2006.

Frankfurt am Main, 5th May, 2006

Société Générale Effekten GmbH

Frankfurt am Main

gez. Dr. Joachim Totzke

gez. Günter Happ

Société Générale S.A., Paris

gez. Dr. Joachim Totzke

gez. Günter Happ

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*To the Issuer, the Guarantor and the Dealer
as to German Law*

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To Société Générale Effekten GmbH

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