



SUPPLEMENT DATED 9 NOVEMBER 2009

TO THE BASE PROSPECTUS DATED 5 FEBRUARY 2009

Banques Populaires Covered Bonds

(duly licensed French credit institution)

€25,000,000,000

COVERED BOND PROGRAMME

This supplement (the **Supplement**) to the base prospectus dated 5 February 2009 (the **Base Prospectus**) constitutes a Prospectus Supplement for the purposes of 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 (the **Prospectus Directive**) and is prepared in connection with the issue by Banques Populaires Covered Bonds, a duly licensed as a French credit institution (*établissement de crédit*), registered in the *Registre du Commerce et des Sociétés* of Paris under number 552028839 and having its registered office at 5, rue Leblanc 75075 Paris (the **Issuer**), under its €25,000,000,000 Covered Bond Programme dated 5 February 2009.

Terms defined in the Base Prospectus have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus. Application has been made to the *Commission de surveillance du secteur financier* (the **CSSF**) for approval of this Supplement in its capacity as competent authority in Luxembourg under the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005 (the **Luxembourg Law**) which implements the Prospectus Directive in Luxembourg.

In accordance with Article 13 paragraph 2 of the Luxembourg Law, investors who have already agreed to purchase or subscribe for the securities before this Supplement is published have the right, exercisable within a time limit of two working days after the publication of this supplement, to withdraw their acceptances.

The date of this Supplement is 9 November 2009.

Responsibility Statement

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

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

The Issuer considers that the Covered Bonds shall only be purchased by investors which are (or are advised by) financial institutions or other professional investors who have sufficient knowledge and experience necessary to appropriately evaluate the risks associated with the Covered Bonds.

Investors must be aware that the list of factors set out in the section entitled “Risk Factors” in the Base Prospectus is not intended to be exhaustive and that other risks and uncertainties which, on the date of the Base Prospectus or this Supplement, are not known of by the Issuer, or are considered non-relevant, may have a significant impact on the Issuer, its activity, its financial condition or the Covered Bonds.

Prospective investors should also read the detailed information set out in the Base Prospectus and this supplement and make their own opinion about risk factors prior to making any investment decision. Investors should in particular conduct their own analysis and evaluation of risks relating to the Issuer, its financial condition and the Covered Bonds.

The Base Prospectus and this Supplement do not constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or the Dealers to subscribe for, or purchase, any Covered Bonds.

The distribution of the Base Prospectus or this Supplement and the offering or sale of the Covered Bonds in certain jurisdictions may be restricted by law. Persons into whose possession the Base Prospectus or this Supplement comes are required by the Issuer, the Dealers and the Arranger to inform themselves of and to observe any such restriction.

For a description of these and certain further restrictions on offers, sales and transfers of Covered Bonds and on distribution of the Base Prospectus or this Supplement, see the section of the Base Prospectus entitled “Subscription and Sale”.

This Supplement shall only be distributed in connection with the Base Prospectus.

1. MODIFICATIONS TO THE BASE PROSPECTUS RELATING TO THE CREATION OF GROUPE BPCE

Following the creation, by French law No. 2009-715 dated 18 June 2009, of BPCE, central body of Groupe BPCE, through the combination of Groupe Caisse d'Epargne and Groupe Banque Populaire, the Base Prospectus shall be amended as follows:

The section entitled "The Borrowers, the Guarantors and the Cash Collateral Provider" on page 100 of the Base Prospectus is amended by deleting the first two paragraphs thereof, and deleting the sub-sections numbered 1 (Activities) and 2 (General information relating to share capital) and replacing them with the following:

"The Borrowers, the Guarantors and the Cash Collateral Provider are members of the *Groupe BPCE*.

General information relating to BPCE

BPCE was created by French law No. 2009-715 dated 18 June 2009 (the *Law*), as a central body of *Groupe BPCE*, which was found through the combination of the two French mutual banking groups that are *Groupe Caisse d'Epargne* and *Groupe Banque Populaire*. Following the approval of the shareholders' general meetings of *Caisse Nationale des Caisses d'Epargne (CNCE)* and BFBP on 31 July 2009, some of CNCE and BFBP's assets were transferred to BPCE, including BFBP's shareholding in the Issuer. As a result of the transfer of BFBP's shareholding in the Issuer to BPCE and as provided for by the terms of Article 4 of the Law, all of BFBP's obligations under the Programme Documents (including notably BFBP's obligations under the BFBP Letter of Undertaking) have been transferred to BPCE, as of right, without any prior consent or any further formality being required and notwithstanding any terms of any Programme Document to the contrary.

BPCE was registered on 22 January 2007 with the Paris Trade and Companies Registry under number 493 455 042. The term of BPCE is set at 99 years and it shall consequently expire on 21 January 2106 except in the event of earlier dissolution or extension.

BPCE is organised as a French *société anonyme*, governed by a management board (*directoire*) and a supervisory board (*conseil de surveillance*) and is subject to the laws and regulations in force in France and in particular the commercial companies provisions of the French Commercial Code (*Code de commerce*) and the credit institutions provisions of the French Monetary and Financial Code (*Code monétaire et financier*), notably articles L. 512-85 to L. 512-104, and the implementing decrees taken in this respect as well as its bylaws.

The registered office of BPCE is located at 50, avenue Pierre Mendès France – 75201 Paris Cedex 13 – France. The contact number of such office is +33 (0)1 58 40 41 42.

CNCE and BFBP continue to exist as equity holding companies holding their respective interests in the subsidiaries and assets of the *Groupe Caisse d'Epargne* and *Groupe Banque Populaire* which have not been transferred to the central body of the *Caisses d'Epargne et de Prévoyance* and *Banques Populaires* under the denominations of *Caisses d'Epargne Participations* and *Banques Populaires Participations*.

Business Overview

BPCE is the central body of *Groupe BPCE* which is France's second largest banking group. BPCE is underpinned by two autonomous and complementary retail banking networks comprising the 17 *Caisses d'Epargne et de Prévoyance* banks and the 20 *Banques Populaires*

banks. As such, BPCE owns the *Groupe Caisse d'Epargne* and *Groupe Banque Populaire's* retail banking subsidiaries, capital markets, asset management and financial services subsidiaries and their production entities (in particular Natixis, Société Marseillaise de Crédit, Financière Océor, GCE Assurances and CNP Assurances).

With over 127,000 employees, 8,200 branches, over 7 million member-stakeholders and approximately 37 million customers, BPCE caters for all business sectors and types of clientele and is present on the world's main financial markets.

As of 30 June 2009, Groupe BPCE had €1,073.3 billion of *pro forma* consolidated assets and €39.6 billion of *pro forma* consolidated shareholders' equity. Groupe BPCE also had €9.7 of *pro forma* consolidated net banking income for the period ended 30 June 2009.

Activities

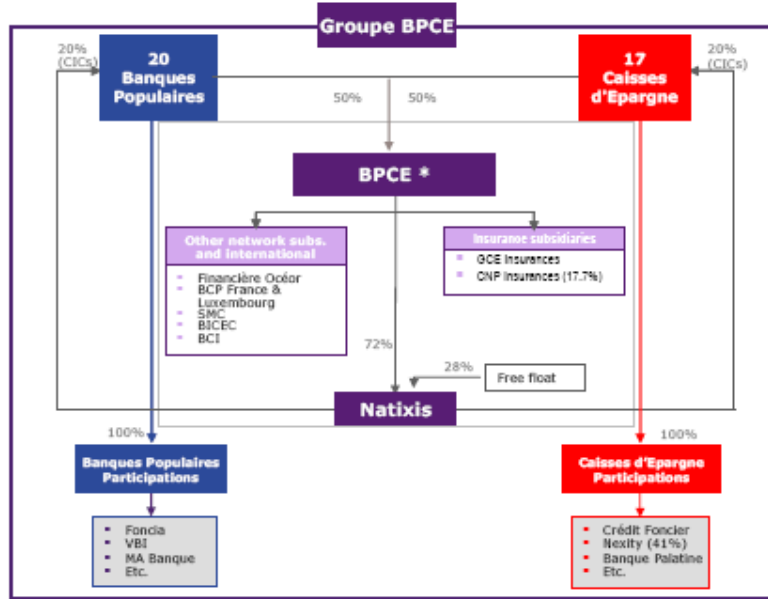
The corporate purpose of BPCE is defined in article 2 of its bylaws and consists notably in:

(i) being a central body for CNCE and BFBP's networks (the *Networks*) and their affiliates, and as such is notably in charge of:

- determining the Group's and the Networks policies and the strategic orientations;
- coordinating the Networks' commercial policies and taking any measures necessary for the Group's development;
- representing the Group and the Networks in banking associations and negotiating national or international agreements on their behalf;
- taking all necessary steps in order to ensure the Group's and the Networks' liquidity, including determining policies for liquidity and treasury management, financing, securitization and financial relations with other credit institutions;
- taking all necessary steps to ensure the Group's and the Networks' solvency by notably implementing appropriate financial solidarity mechanisms and by setting up a common guarantee fund for both networks;
- determining internal control policies and risk management policies for the Group and the Networks, and ensuring the effective supervision of compliance with these policies;
- confirming the appointment of key policy-making executives of the affiliated institutions;

(ii) acting as an authorised credit institution, an insurance intermediary and a real estate intermediary.

Organisation Chart of BPCE



General information relating to share capital

On the date hereof, the share capital of BPCE amounts to €486,407,115 divided into 32,427,141 fully paid-up shares with a par value of €15 each.

The 20 *Banques Populaires* and 17 *Caisses d'Epargne et de Prévoyance* wholly own the ordinary share capital and voting rights of BPCE, their shares not being listed on any stock exchange.

Management and administration

BPCE is governed by a management board (*directoire*) and a supervisory board (*conseil de surveillance*).

The management board (*directoire*) is composed of a maximum of five (5) individual members who may be up to 65 years of age and need not be shareholders. Members of the management board (*directoire*) may perform other offices subject to compliance with the laws and regulations in force. However, a member of the management board (*directoire*) may not perform similar duties with a *Caisse d'Epargne et de Prévoyance* or a *Banque Populaire*.

The members of the management board (*directoire*) are appointed for a term of four (4) years by the supervisory board (*conseil de surveillance*) which appoints one of the management board (*directoire*) members as chairman (*président*).

The management board (*directoire*) is vested with the broadest powers to act in all circumstances in the name of the company, within the scope of the corporate purpose and

subject to the powers attributed by law to the supervisory board (*conseil de surveillance*) or to shareholders' meetings.

The members of the management board are as follows:

| | |
|---------------------------|--------------------------------------|
| François PÉROL | Chairman of the Management Board |
| Nicolas DUHAMEL | Member, Chief Financial Officer |
| Yvan de la PORTE DU THEIL | Member, Banque Populaire Retail Bank |
| Alain LEMAIRE | Member, Caisse d'Épargne Retail Bank |
| Jean-Luc VERGNE | Member, Human Resources |

Under article 17 of the bylaws, supervisory board (*conseil de surveillance*) meetings are called by its chairman. They are held as often as the interest of BPCE requires, and at least four times a year. The supervisory board is composed of 10 to 18 members designated by the general meeting of shareholders.

Control

As a regulated bank, BPCE is subject to various controls by the French financial regulators (*Comité des Établissements de Crédit et des Entreprises d'Investissement, Commission bancaire, Banque de France, Autorité des Marchés Financiers, etc.*).

Accounting regulations and methods

The consolidated financial statements of BPCE will be prepared in accordance with IFRS as adopted by the European Union.

The statutory auditors of BPCE are:

Mazars, Tour Exaltis, 61, rue Henri Regnault, 92400 Courbevoie, France represented by Michel Barbet-Massin and Charles de Boisriou in their capacity as principal statutory auditors, and Franck Boyer in his capacity as alternate statutory auditor;

PricewaterhouseCoopers Audit, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex, France represented by Anik Chaumartin and Agnès Hussherr in their capacity as principal statutory auditors, and Etienne Boris in his capacity as alternate statutory auditor; and

KPMG Audit, 1, Cours Valmy, 92923 Paris La Défense Cedex, France represented by Marie-Christine Jolys and Fabrice Odent in their capacity as principal statutory auditors and Isabelle Goalec in her capacity as alternate statutory auditor.

General information relating to the Banques Populaires banks

Activities

Amongst the Banques Populaires banks, there are 18 regional Banques Populaires, CASDEN Banque Populaire and the Crédit Coopératif Banque Populaire. They are autonomous, fully-fledged banks providing customers with a local service and a full range of banking and insurance products and services.”

In addition, sub-sections 3 (Management), 4 (Accounting regulations and methods) and 5 (Recent Developments) of the section entitled “General information relating to the Borrowers, the Guarantors and the Cash Collateral Provider” are renumbered as sub-sections 2, 3 and 4,

respectively, and references to the term “Debtor” therein shall be replaced by the term “Banque Populaire bank”.

2. MODIFICATIONS TO THE BASE PROSPECTUS RELATING TO THE ADDITION OF CEGC AS IN-HOUSE LOAN GUARANTOR

As a result of CEGC becoming an In-House Loan Guarantor, the Base Prospectus shall be amended as follows:

The following definition shall be inserted into Condition 1 on page 42 of the Base Prospectus after the definition of BFBP:

“**BMF** means Banque Monétaire et Financière, a French *société anonyme* whose registered office is at 91, cours des Roches, 77424 Marne-La-Vallée Cedex 2, registered in the *registre du commerce et des sociétés* of Meaux under number 333 060 887, duly licensed as a French credit institution (*établissement de crédit*);”

The following definition shall be inserted into Condition 1 on page 43 of the Base Prospectus after the definition of **CASDEN**:

“**CEGC** means Compagnie Européenne de Garanties et Cautions, a French *société anonyme* whose registered office is at 128, rue de la Boétie, 75008 Paris, registered in the *registre du commerce et des sociétés* of Paris under number 382 506 079, duly licensed as a French insurance company (*compagnie d'assurance*);”

The definition of **In-House Loan Guarantor** on page 115 of the Base Prospectus shall be deleted and replaced with the following:

“**In-House Loan Guarantor** means:

- (i) any SOCAMI;
- (ii) the CASDEN;
- (iii) BMF;
- (iv) CEGC;
- (v) subject to the Rating Confirmation, any financial institutions of the EEA specialised in the guaranteeing of loans financing the acquisition of residential real estate property; or
- (vi) subject to the Rating Confirmation, any insurance companies or mutual insurance companies.

Upon the downgrading of the credit rating of BPCE below BBB (long term) (S&P) or Baa2 (long term) (Moody's) (or any other credit rating trigger which may be agreed upon by the Rating Agencies after the date hereof) (the **Level 2 Home Loan Guarantee Trigger Event**) and within sixty (60) days from the occurrence of such Level 2 Home Loan Guarantee Trigger Event:

- (a) (1) the Guarantors shall (i) pursuant to the relevant Home Loan contractual documentation, use all reasonable efforts to initiate and to continue the process of creating and registering the mortgages or similar legal privileges (*hypothèque* or *privilège de prêteur de deniers*) to secure the repayment of any Home Loans granted as Collateral Security and secured by Home Loan Guarantees granted by each relevant In-House Loan Guarantor or (ii) ensure that the relevant In-House

Loan Guarantor uses all reasonable efforts to initiate and to continue the process of creating and registering, in the name of the relevant Guarantor, the Mortgages to secure the repayment of any Home Loans already secured by Home Loan Guarantees granted by the relevant In-House Loan Guarantor; and

(2) if required by the relevant Guarantor or the relevant In-House Loan Guarantor, the registration costs of the Mortgages, as the case may be, will be reimbursed with the same from sums credited to the relevant Home Loan Security Reserve Account, it being provided that the relevant Guarantor shall not use the sums credited to the Home Loan Reserve Account for any other purposes than such reimbursement; or

(b) the Guarantors shall ensure that the commitment of the relevant In-House Loan Guarantor under the Home Loan Guarantees granted by the relevant In-House Loan Guarantor and securing the repayment of Home Loans granted as Collateral Security is fully guaranteed or insured by an Eligible IHLG Guarantor (the ***IHLG Guarantee***) subject to compliance with the Asset Cover Test that shall be carried out by the Calculation Agent before the implementation of such IHLG Guarantee, it being provided that the Asset Cover Test shall take into account the new WAFF and WALs into one (1) or more cash flow models reviewed by S&P; or

(c) the Guarantors shall ensure that the commitment of the relevant In-House Loan Guarantor under the Home Loan Guarantees granted by the relevant In-House Loan Guarantor and securing the repayment of Home Loans granted as Collateral Security is fully guaranteed or insured by an Eligible IHLG Guarantor (the ***IHLG Guarantee***) subject to compliance with the Asset Cover Test that shall be carried out by the Calculation Agent before the implementation of such IHLG Guarantee, it being provided that the Asset Cover Test shall take into account the new WAFF and WALs into one (1) or more cash flow models reviewed by S&P; or

On the Asset Cover Test Dates following the date on which a IHLG Guarantee is put in place or on which all Home Loans granted as Collateral Security by the relevant Guarantor and secured by Home Loan Guarantees granted by the relevant In-House Loan Guarantor have been substituted for Home Loan Receivables that comply with the Home Loan Eligibility Criteria and are secured by a Mortgage, the credit standing to the relevant Home Loan Security Reserve Account shall be released and retransferred to the relevant Guarantor, provided that on such Asset Cover Test Dates the Asset Cover Test is complied with.

From the one hundred and twentieth (120th) day following the occurrence of a Level 2 Home Loan Guarantee Trigger Event, if the IHLG Guarantee has not been implemented at such time, any Home Loan Receivables (i) granted as Collateral Security and secured by Home Loan Guarantees granted by any In-House Loan Guarantor (ii) which is not secured by a Mortgages shall account for zero for the purpose of calculation of the Asset Cover Test on any relevant Asset Cover Test Date (see "Asset Monitoring - The Asset Cover Test") and, as applicable, shall account for zero for the purpose of calculation of the Amortisation Test on any relevant Amortisation Test Date (see "Asset Monitoring - The Amortisation Test")."

On page 132 of the Base Prospectus, the final two paragraphs of the section entitled "Pre-Acceptance Control" shall be deleted and replaced with the following:

"CASDEN directly originates home loans almost exclusively to civil servants of the French ministries of education, research, and culture, but also guarantees home loans to civil servants originated by the other Banques Populaires.

A home loan granted by CASDEN is guaranteed by BMF and the acceptance process is performed by CASDEN for and on behalf of BMF.

When a home loan guarantee is requested from a SOCAMI or CASDEN, the acceptance process is performed by the relevant BP for and on behalf of the SOCAMI or CASDEN, in accordance with the delegation of authority documentation.

When a home loan guarantee is requested from CEGC or Crédit Logement, the pre-acceptance process includes the underwriting and acceptance process to be performed by CEGC or Crédit Logement respectively.”

The following paragraphs shall be inserted on page 133 of the Base Prospectus in the section entitled “Servicing” after the paragraph ending with the sentence: “After receipt of the drawing notice, CASDEN reimburses to the relevant Banque Populaire all guaranteed amounts and becomes solely responsible for the servicing of the home loan.”:

“When the home loan is guaranteed by BMF, the guarantee can be drawn by CASDEN between the third and the ninth month following the first unpaid instalment when CASDEN can not reach an amicable solution with the client and after that CASDEN has accelerated the payment of the home loan and the remaining unpaid instalments. After receipt of the drawing notice, BMF reimburses to CASDEN all guaranteed amounts and becomes solely responsible for the servicing of the home loan.

With respect to a home loan guaranteed by CEGC, the guarantee is drawn in favour of the relevant Banque Populaire upon the occurrence of more than four (4) missed monthly payments or two (2) missed quarterly payments. The relevant Banque Populaire immediately accelerates the payment of all guaranteed amounts. CEGC must pay the entirety of the guaranteed amounts (the overdue instalments as well as the outstanding principal) within one (1) month upon receipt of the relevant drawing notice and documents required from the relevant Banque Populaire. The servicing of the home loan is transferred to CEGC upon payment by the latter.”

3. MODIFICATIONS TO THE BASE PROSPECTUS RELATING TO THE UNLISTED GERMAN LAW COVERED BONDS

As a result of the Programme Documents having been amended to permit the Issuer to issue Covered Bonds governed by German law, the Base Prospectus shall be amended as follows:

Paragraph 1 on page 1 of the Base Prospectus shall be deleted and replaced with the following:

“Under the covered bond programme described in this base prospectus (the **Programme**), Banques Populaires Covered Bonds (the **Issuer**), subject to compliance with all relevant laws, regulations and directives, may from time to time issue covered bonds to be governed by French law or German law (respectively the **French law Covered Bonds**) and the **German law Covered Bonds**, and collectively, unless otherwise specified, the **Covered Bonds**). The German law Covered Bonds will benefit from the same security and rights as the French law Covered Bonds.”

Paragraph 3 on page 1 of the Base Prospectus shall be deleted and replaced with the following:

“Application has been made to the *Commission de surveillance du secteur financier* (the **CSSF**) for approval of this base prospectus (the **Base Prospectus**) in its capacity as competent authority in Luxembourg under the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005 which implements the Directive 2003/71/EC of 4 November 2003 in Luxembourg. Application may be made to the Luxembourg Stock Exchange during a period of twelve (12) months after the date of this Base Prospectus for French law Covered Bonds issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Directive 2004/39/EC of 21 April 2004 (each such market being a **Regulated Market**). Covered Bonds (except the German law Covered Bonds) issued under the Programme may also be unlisted or listed and admitted to trading on any other market, including any other Regulated Market in any Member State of the European Economic Area (**EEA**). The relevant final terms (forms of which are contained herein) in respect of the issue of any French law Covered Bonds will specify whether or not such French law Covered Bonds will be listed and admitted to trading on any market and, if so, the relevant market. The German law Covered Bonds will not be admitted to trading on any market nor listed on any stock exchange.”

Paragraph 4 on page 1 of the Base Prospectus shall be deleted and replaced with the following:

“French law Covered Bonds may be issued either in dematerialised form (**Dematerialised Covered Bonds**) or in materialised form (**Materialised Covered Bonds**) as more fully described herein. German law Covered Bonds shall be issued as Materialised Covered Bonds as more fully described herein.”

The words “Terms and Conditions of the Covered Bonds” shall be deleted in each case where they appear in paragraph 6 on page 1 of the Base Prospectus and replaced with the words “Terms and Conditions of the French law Covered Bonds”.

The first sentence of paragraph 1 on page 3 of the Base Prospectus shall be deleted and replaced with the following:

“This Base Prospectus (together with all supplements thereto from time to time), constitutes a base prospectus for the purposes of article 5.4 of the Directive 2003/71/EC of 4 November 2003 (the *Prospectus Directive*) and contains all relevant information concerning the Issuer which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer, as well as the base terms and conditions of the Covered Bonds (except the German law Covered Bonds) to be issued under the Programme.”

Paragraph 1 on page 7 of the Base Prospectus shall be deleted and replaced with the following:

“Words and expressions defined in «Terms and Conditions of the French law Covered Bonds» below shall have the same meanings in this general description. The expression “Covered Bonds” shall include the German law Covered Bonds to the extent permitted by the terms and conditions applicable to the German law Covered Bonds.”

The following paragraph shall be added to the item entitled “Taxation” on page 8 of the Base Prospectus:

“The tax regime applicable to German law Covered Bonds which do not constitute obligations or titres de créances négociables assimilated thereto for the purposes of the above mentioned ruling will be set out in the relevant final terms of any German law Covered Bonds.”

The items entitled “Redenomination”, “Consolidation”, “Form of Covered Bonds”, “Governing Law” and “Listing and Admission to Trading” on pages 9 and 10 of the Base Prospectus shall be deleted and replaced with the following:

“Redenomination:

French law Covered Bonds issued in the currency of any Member State of the EU which participates in the third stage (or any further stage) of the European Monetary Union may be redenominated into Euro, all as more fully provided in Condition 2(d).”

“Consolidation:

French law Covered Bonds of one (1) Series may be consolidated with French law Covered Bonds of another Series as more fully provided in Condition 16.”

“Form of Covered Bonds:

French law Covered Bonds may be issued in either dematerialised form (*Dematerialised Covered Bonds*) or in materialised form (*Materialised Covered Bonds*). German law Covered Bonds shall be issued as Materialised Covered Bonds.

Dematerialised Covered Bonds may, at the option of the Issuer, be issued in bearer form (*au porteur*) or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant holder, in either fully registered form (*au nominatif pur*) or administered form (*au nominatif administré*). No physical documents of title will be issued in respect of Dematerialised Covered Bonds.

Materialised Covered Bonds will be in bearer form only. A Temporary Global Certificate will initially be issued in respect of each Tranche of Materialised Covered Bonds. Materialised Covered Bonds may only be issued outside France.”

“Governing Law:

French law Covered Bonds will be governed by French law.

German law Covered Bonds will be governed by German law.”

“Listing and Admission to Trading of the French Covered Bonds:

The Regulated Market and the Official List of the Luxembourg Stock Exchange and/or any other Regulated Market in the EEA in accordance with the Prospectus Directive and/or any other market as specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Covered Bonds may be unlisted. The German law Covered Bonds will not be admitted to trading on any market nor listed on any stock exchange.”

The paragraph entitled “Restrictions on recourse and enforcement” on page 17 of the Base Prospectus shall be deleted and replaced with the following:

“Restrictions on recourse and enforcement

Recourse against the Issuer is restricted by the then applicable Priority Payment Order and amounts payable by the Issuer shall be recoverable only from and to the extent of the amount of the Available Funds. No enforcement action under the French law Covered Bonds may be taken by the holders of French law Covered Bonds prior to the date which is eighteen (18) months and one (1) day after the earlier of (i) the Final Maturity Date of the last Series issued by the Issuer under the Programme, or (ii) the date of payment of any sums outstanding and owing under the latest outstanding Covered Bond.”

The paragraphs entitled ‘Modification of the Conditions’ and ‘Change of Law’ on page 26 of the Base Prospectus shall be deleted and replaced with the following:

“Modification of the Conditions

The holders of French law Covered Bonds will, in respect of all Tranches in any Series, be grouped automatically for the defense of their common interest in a masse, as defined in Condition 12, and a General Meeting can be held. The Terms and Conditions of the French law Covered Bonds permit in certain cases defined majorities to bind all holders of French law Covered Bonds including holders of French law Covered Bonds who did not attend and vote at the relevant General Meeting and holders of French law Covered Bonds who voted in a manner contrary to the majority. The General Meeting may deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which was the subject of judicial decisions, as more fully described in Condition 12.”

“Change of law

The Terms and Conditions of the French law Covered Bonds are based on French law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to French law or administrative practice after the date of this Base Prospectus.”

The first paragraph of the section entitled “Risks relating to the structure of a particular issue of Covered Bonds” on page 26 of the Base Prospectus shall be deleted and replaced with the following:

“Risks relating to the structure of a particular issue of Covered Bonds

Covered Bonds issued under the Programme will either be fungible with an existing Series (other than the German law Covered Bonds which will be issued in registered form) or have different terms to an existing Series (in which case they will constitute a new Series). All Covered Bonds issued from time to time will rank pari passu with each other in all respects and will share equally in the Security under the Security Documents.”

Paragraph 1 on page 42 of the Base Prospectus shall be deleted and replaced with the following:

“TERMS AND CONDITIONS OF THE FRENCH LAW COVERED BONDS

*The following is the text of the terms and conditions that, as supplemented in accordance with the provisions of the relevant Final Terms, shall be applicable to French law Covered Bonds (the **Terms and Conditions**). In this section, unless otherwise specified, the term “Covered Bonds” shall apply to French law Covered Bonds only. In the case of Dematerialised Covered Bonds, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as supplemented by the relevant Final Terms. In the case of Materialised Covered Bonds, either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms (and subject to simplification by the deletion of non-applicable provisions) or (ii) these terms and conditions as so supplemented shall be endorsed on Definitive Materialised Covered Bonds. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. References in the Conditions to «Covered Bonds» are to the Covered Bonds of one (1) Series only, not to all Covered Bonds that may be issued under the Programme.”*

The definition of **Initial Closing Date** on page 43 of the Base Prospectus shall be deleted and replaced with the following:

*“**Initial Closing Date** means the date of the issuance of the initial Series of Covered Bonds (including German law Covered Bonds) by the Issuer under this Programme.”*

Paragraphs (b), (c), (d) and (g) of the definition of **Issuer Event of Default** on pages 43 and 44 of the Base Prospectus shall be deleted and replaced with the following:

“(b) the Issuer is in default in the payment of principal of, or interest on, any French law Covered Bond or any German law Covered Bond (including the payment of any additional amounts mentioned in Condition 9) when due and payable, unless such default has arisen by reason of technical default or error and payment is made within five (5) business days of the due date thereof; or

(c) the Issuer is in default in the performance or observance of any of its other material obligations under any French law Covered Bond or any German law Covered Bond (such default being materially prejudicial to the position of the Bondholders) and such default has not been cured within thirty (30) days after the receipt by the Fiscal Agent (with copy to the Issuer) of the written notice of such default by (i) in the case of any French law Covered Bond, the Representative and (ii) in the case of any German law Covered Bond, a holder of German Covered Bonds,

requiring such default to be remedied and indicating that this provision may be invoked if it is not so remedied; or

(d) any other present or future indebtedness of the Issuer (including any French law Covered Bonds and any German law Covered Bonds of any other Series) becomes, or becomes capable of being declared, due and payable prior to its stated maturity as a result of a default thereunder, or any such indebtedness shall not be paid when due or, as the case may be, within any originally applicable grace period therefore or any steps shall be taken to enforce any security in respect of any such indebtedness or any guarantee or indemnity given by the Issuer for, or in respect of, any such indebtedness of others shall not be honoured when due and called upon (a **Covered Bonds Cross Acceleration Event**); or

(g) the Issuer ceases to carry on all or a material part of its business (except in the case of a cessation for the purpose of a reconstruction, amalgamation, merger or following the transfer of all or substantially all of the assets of the Issuer, in each case the terms of which have previously been approved by the Majority Bondholders of all Series for which French law Covered Bonds or German law Covered Bonds or, if applicable, any Receipts or Coupons relating to them, are Outstanding and such liquidation or winding up being subject to prior Rating Confirmation); or”

The definition of **Majority Bondholders** on page 44 of the Base Prospectus shall be deleted and replaced with the following:

“**Majority Bondholders** means, (i) in relation to any Series of French law Covered Bonds, a decision of the General Meeting (as defined in Condition 12 of the Terms and Conditions) of such Series taken in accordance with Condition 12(e) of the Terms and Conditions and (ii) in relation to any Series of German law Covered Bonds, an approval of one or more holders of German law Covered Bonds holding at least 2/3 of the then outstanding principal amount of such Series of German law Covered Bonds.”

Paragraph (l) of the the definition of **Programme Documents** on page 44 of the Base Prospectus shall be deleted and replaced with the following:

“(l) the Amended and Restated Paying Agency Agreement (including the terms and conditions of the German law Covered Bonds);”

and a new paragraph (m) shall be inserted immediately thereafter as follows:

“(m) The terms and conditions of any German law Covered Bonds as set out in Schedule 7 of the Amended and Restated Paying Agency Agreement;”

and the former paragraphs “(m)” and “(n)” thereafter shall be re-numbered as “(n)” and “(o)” accordingly.

In the definition of **Outstanding** on page 44 of the Base Prospectus the words “(including German law Covered Bonds)” shall be inserted immediately following the words “all Covered Bonds” in the first line of that definition and the words “or, as applicable, condition 7 of the terms and conditions of the German law Covered Bonds” shall be inserted immediately following the words “Condition 8 of the Terms and Conditions” in paragraph (b) of such definition.

The definition of ***Representative Consent*** on page 45 of the Base Prospectus shall be deleted and replaced with the following:

“***Representative Consent*** means, with respect to any specified action, determination or appointment, receipt by the Issuer of (i) written confirmation of consent of 2/3 of the holders of each Series of outstanding German law Covered Bonds, as described in the Amended and Restated Paying Agency Agreement and (ii) the Representative (acting upon instructions of the Majority Bondholders of all Series for which French law Covered Bonds or, if applicable, any Receipts or Coupons relating to them, are Outstanding) to such proposed action, determination or appointment.”

The following words shall be added after the words “the Issuer” at the end of Condition 4 (*Status*) on page 47 of the Base Prospectus:

“(including the German law Covered Bonds).”

The following sentence shall be inserted into Condition 5 (b) on page 48 of the Base Prospectus as a new paragraph after the paragraph ending with the words “(ii) appointment of the Issuer Security Agent as agent in order to manage the said security in their name and on their behalf.”:

“The holders of German law Covered Bonds shall also benefit from the Issuer Security.”

The final sentence of Condition 5(h) on page 48 of the Base Prospectus shall be deleted and replaced with the following:

“ In addition, the Issuer undertakes that:

(i) each Programme Document to which the Issuer is or will become a party will include specific limited recourse language pursuant to which the creditors of the Issuer (including the holders of French law Covered Bonds and German law Covered Bonds) will be limited to the funds that are available to the Issuer at any relevant date; and

(ii) each Programme Document (excluding the terms and conditions of any German law Covered Bonds set out in schedule 7 of the Amended and Restated Paying Agency Agreement) to which the Issuer is or will become a party will also include non-petition language, whereby the creditors of the Issuer (including the holders of the French law Covered Bonds) will agree not to commence or to join any proceedings for the insolvency of the Issuer prior to the end of an eighteen (18)-month period after all Covered Bonds have been paid and discharged in full.”

The first two lines of Condition 5(j) (*No Further Issuance*) on page 49 of the Base Prospectus shall be deleted and replaced with the following:

“The Issuer undertakes not to issue new further French law Covered Bonds and German law Covered Bonds under the Programme.”

A new paragraph shall be inserted at the end of Condition 9(a) on page 63 of the Base Prospectus as follows:

“The tax regime applicable to French law Covered Bonds or to German law Covered Bonds which do not constitute *obligations* or *titres de créances négociables*

assimilated thereto for the purposes of the above mentioned ruling will be set out in the relevant Final Terms.”

Paragraph 1 on page 69 of the Base Prospectus shall be deleted and replaced with the following:

“USE OF PROCEEDS

The net proceeds of the issue of French law Covered Bonds and German law Covered Bonds will be used to fund Borrower Loans under the Borrower Facility to be made available by the Issuer to the BPs and, as the case may be, BPCE.”

The following sentence shall be inserted as the first sentence on page 70 of the Base Prospectus under the title “TEMPORARY GLOBAL CERTIFICATES IN RESPECT OF MATERIALISED COVERED BONDS”:

“For the avoidance of doubt, the following section is only applicable to French law Covered Bonds.”

The following sentence shall be inserted as the first sentence on page 71 of the Base Prospectus under the title “THE ISSUER”:

“In the following section, the expression “Covered Bonds” will apply to German law Covered Bonds and French law Covered Bonds and the expression “Bondholders” shall designate any holder of German law Covered Bonds and any holder of French law Covered Bonds.”

The first line of the section entitled “Limited recourse” on page 73 of the Base Prospectus shall be deleted and replaced with the following:

“Each party to any Programme Document (other than the terms and conditions of any German law Covered Bonds set out in schedule 7 of the Amended and Restated Paying Agency Agreement) will agree”

and the following new paragraph should be inserted as the final paragraph of that section:

“For the avoidance of doubt, the terms and conditions of any German law Covered Bonds set out in schedule 7 of the Amended and Restated Paying Agency Agreement include specific limited recourse language pursuant to which the recourse of the holders of German law Covered Bonds will be limited to the funds that are available to the Issuer at any relevant date.”

The introductory words of this section entitled “Non-Petition”, immediately preceding the sub-paragraph (a) on page 74 of the Base Prospectus, shall be deleted and replaced with the following:

“By subscribing to any Covered Bond, each Bondholder will also be automatically deemed to have agreed that prior to the date which is eighteen (18) months and one (1) Business Day after the earlier of (i) the Final Maturity Date of the last Series issued by the Issuer under the Programme, or (ii) the date of payment of any sums outstanding and owing under the latest outstanding Covered Bond:”

The following sentence shall be inserted as the first sentence on page 92 of the Base Prospectus under the title “THE ISSUER SECURITY”:

“In the following section, the expression “Covered Bonds” will apply to German law Covered Bonds and French law Covered Bonds and the expression “Bondholders” shall designate any holder of German law Covered Bonds and any holder of French law Covered Bonds.”

The first two paragraphs of the section entitled “Termination upon the occurrence of an Issuer Security Agent Rating Trigger Event” on page 93 of the Base Prospectus shall be deleted and replaced with the following:

“If an Issuer Security Agent Rating Trigger Event occurs, the Issuer Security Agent will notify the Issuer and (i) in the case of any French law Covered Bond, the Representative and (ii) in the case of any German law Covered Bond, the holders of German Covered Bonds, in writing of the occurrence of the Issuer Security Agent Rating Trigger Event. In this case, (i) the Representative, acting on behalf of the holders of French law Covered Bonds and (ii) in the case of any German law Covered Bonds, one or more holders of German law Covered Bonds holding at least 2/3 of the then outstanding principal amount of such German law Covered Bonds, shall terminate the appointment of Natixis as Issuer Security Agent by delivery of a written termination notice to the Issuer Security Agent (the **Notice of Termination**). Upon receipt by the Issuer Security Agent of the Notice of Termination, the appointment of Natixis as Issuer Security Agent will terminate with effect not earlier than twenty (20) Business Days as from the receipt by the Issuer Security Agent of the Notice of Termination or at any other date specified in the Notice of Termination (each, a **Termination Date**).

Upon the Termination Date, (i) the Representative, acting on behalf of the holders of French law Covered Bonds and (ii) in the case of any German law Covered Bonds, one or more holders of German law Covered Bonds holding at least 2/3 of the then outstanding principal amount of such German law Covered Bonds, will replace Natixis, as Issuer Security Agent, by any substitute entity (the **Substitute Issuer Security Agent**), the choice of which being subject to prior Rating Confirmation.”

The first two paragraphs of the section entitled “Termination upon the occurrence of an Issuer Security Agent Rating Trigger Event” on page 95 of the Base Prospectus shall be deleted and replaced with the following:

“If an Issuer Security Agent Rating Trigger Event occurs, the Issuer Security Agent will notify the Issuer and (i) in the case of any French law Covered Bond, the Representative and (ii) in the case of any German law Covered Bond, the holders of German Covered Bonds, in writing of the occurrence of the Issuer Security Agent Rating Trigger Event. In this case, (i) the Representative, acting on behalf of the holders of French law Covered Bonds and (ii) in the case of any German law Covered Bonds, one or more holders of German law Covered Bonds holding at least 2/3 of the then outstanding principal amount of such German law Covered Bonds, shall terminate the appointment of Natixis as Issuer Security Agent by delivery of a written termination notice to the Issuer Security Agent (the **Notice of Termination**). Upon receipt by the Issuer Security Agent of the Notice of Termination, the appointment of Natixis as Issuer Security Agent will terminate with effect not earlier than twenty (20) Business Days as from the receipt by the Issuer Security Agent of the Notice of Termination or at any other date specified in the Notice of Termination (each, a **Termination Date**).

Upon the Termination Date, (i) the Representative, acting on behalf of the holders of French law Covered Bonds and (ii) in the case of any German law Covered Bonds, one or more holders of German law Covered Bonds holding at least 2/3 of the then outstanding principal amount of such German law Covered Bonds, will replace Natixis, as Issuer Security Agent,

by any substitute entity (the *Substitute Issuer Security Agent*), the choice of which being subject to prior Rating Confirmation.”

The following sentence shall be inserted as the first sentence on page 97 of the Base Prospectus under the title “THE FACILITY AND SECURITY AGREEMENT”:

“In the following section, the expression “Covered Bonds” will apply to German law Covered Bonds and French law Covered Bonds and the expression “Bondholders” shall designate any holder of German law Covered Bonds and any holder of French law Covered Bonds.”

On page 100 of the Base Prospectus the third paragraph of the section entitled “The Borrowers, the Guarantors and the Cash Collateral Provider” shall be deleted and replaced with the following:

“Since the Programme Date, the following Potential Subsequent Borrowers and Potential Subsequent Guarantors became Subsequent Borrowers and Subsequent Guarantors respectively: Banque Populaire des Alpes, Banque Populaire d’Alsace, Banque Populaire Bourgogne Franche-Comté, Banque Populaire Centre Atlantique, Banque Populaire Champagne Lorraine, Banque Populaire Massif Central, Banque Populaire du Nord, Banque Populaire Occitane, Banque Populaire Provençale et Corse, Banque Populaire du Sud and Caisse D’aide Sociale de l’Education Nationale - Banque Populaire (CASDEN Banque Populaire).”

The following sentence shall be inserted as the first sentence on page 104 of the Base Prospectus under the title “THE BP AGENT”:

“In the following section, the expression “Covered Bonds” will apply to German law Covered Bonds and French law Covered Bonds and the expression “Bondholders” shall designate any holder of German law Covered Bonds and any holder of French law Covered Bonds.”

The following sentence shall be inserted as the first sentence on page 105 of the Base Prospectus under the title “THE BORROWER FACILITY”:

“In the following section, the expression “Covered Bonds” will apply to German law Covered Bonds and French law Covered Bonds and the expression “Bondholders” shall designate any holder of German law Covered Bonds and any holder of French law Covered Bonds.”

The following sentence shall be inserted as the first sentence on page 107 of the Base Prospectus under the title “THE COLLATERAL SECURITY”:

“In the following section, the expression “Covered Bonds” will apply to German law Covered Bonds and French law Covered Bonds and the expression “Bondholders” shall designate any holder of German law Covered Bonds and any holder of French law Covered Bonds.”

The following sentence shall be inserted as the first sentence on page 119 of the Base Prospectus under the title “ASSET MONITORING”:

“In the following section, the expression “Covered Bonds” will apply to German law Covered Bonds and French law Covered Bonds and the expression “Bondholders” shall designate any holder of German law Covered Bonds and any holder of French law Covered Bonds.”

The following sentence shall be inserted as the first sentence on page 129 of the Base Prospectus under the title “CASH FLOW”:

“In the following section, the expression “Covered Bonds” will apply to German law Covered Bonds and French law Covered Bonds.”

Sub-paragraph (i) on page 130 of the Base Prospectus shall be deleted and replaced with the following:

“first, in or towards payment or discharge *pari passu* and *pro rata* of the following amounts then due and payable by the Issuer (i) the Issuer's liability, if any, to taxation, and (ii) any costs, expenses, fees, remuneration and indemnity payments (if any) and any other amounts payable by the Issuer to any stock exchange and other listing entities where the Covered Bonds are listed, as the case may be, any clearing systems entities where the Covered Bonds are cleared, as the case may be, BPCE (with respect to any insurance premium, regulatory, professional and legal fees, costs and other expenses paid by BPCE on behalf of the Issuer and to be repaid by the Issuer to BPCE subject to, and in accordance with, the relevant terms of the Administrative Services Agreement), the Administrative Agent, the Calculation Agent, the Asset Monitor, the Account Bank, the Cash Manager, the Paying Agents the Permanent Dealer, the Issuer's Auditors, the Representatives, the Issuer Security Agent and the Rating Agencies in respect of the monitoring fees (together, the ***Senior Administrative Costs*** and the ***Tax Costs***);”

The following sentence shall be inserted as the first sentence on page 134 of the Base Prospectus under the title “THE HEDGING STRATEGY”:

“In the following section, the expression “Covered Bonds” will apply to German law Covered Bonds and French law Covered Bonds.”

Paragraph 2 on page 134 of the Base Prospectus shall be deleted and replaced with the following:

“Hedging strategy before the occurrence of a Hedging Trigger Event

The Covered Bonds issued under the Programme may be Fixed Rate Covered Bonds, Floating Rate Covered Bonds, Index Linked Covered Bonds (but subject to prior Rating Confirmation) or Zero Coupon Covered Bonds. Each Series of Covered Bonds will be denominated in any Specified Currency and may be Dual Currency Covered Bonds (see "Terms and Conditions of the French law Covered Bonds").”

The last paragraph on page 134 of the Base Prospectus shall be deleted and replaced with the following:

“Upon the occurrence of a Hedging Trigger Event, a failure by the Issuer (or the Administrative Agent on its behalf) to enter into any Issuer Hedging Agreement with any relevant Eligible Hedging Provider or into any Borrower Hedging Agreement with BPCE within thirty (30) Business Days from the occurrence date of such Hedging Trigger Event, as described under the Hedging Strategy, will constitute a Group Event of Default (see "The Facility and Security Agreement") and an Issuer Event of Default (see "Terms and Conditions of the French law Covered Bonds").”

The following sentence shall be inserted as the first sentence on page 137 of the Base Prospectus under the title “FORM OF FINAL TERMS”:

“(This form of Final Terms will only apply to the French law Covered Bonds. The form of final terms applicable to German law Covered Bonds is included in the Amended and Restated Paying Agency Agreement.)”

The following sentence shall be inserted as the first sentence on page 153 of the Base Prospectus under the title “TAXATION”:

“In the following section, the expression “Covered Bonds” will apply to French law Covered Bonds only.”

The following sentence shall be inserted as the first sentence on page 155 of the Base Prospectus under the title “SUBSCRIPTION AND SALE”:

“In the following section, the expression “Covered Bonds” will apply to French law Covered Bonds only.”

Paragraph 2 on page 157 of the Base Prospectus shall be deleted and replaced with the following:

“This Offering Circular and any other offering material relating to the Covered Bonds are not to be further distributed or reproduced (in whole or in part) by the addressee and have been distributed on the basis the addressee invests for its own account, as necessary, and does not resell or otherwise retransfer, directly or indirectly, the Covered Bonds to the public in the Republic of France other than in compliance with Articles L. 411-1, 411-2, 412-1 and L. 621-8 to L. 621-8-3 of the *Code monétaire et financier*.”

Item 2 on page 158 of the Base Prospectus shall be deleted and replaced with the following:

“(2) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the establishment of the Programme. Any issuance of French law Covered Bonds or German law Covered Bonds under the Programme, to the extent that such Covered Bonds constitute *obligations* under French law, requires the prior authorisation of the Issuer Executive Board.”

Item 5 on page 158 of the Base Prospectus shall be deleted and replaced with the following:

“(5) Save as disclosed in this Base Prospectus, there are no material contracts that are not entered into the ordinary course of the Issuer's business which could result in any member of the Banque Populaire Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to holders of French law Covered Bonds and holders of German law Covered Bonds in respect of the French law Covered Bonds and German law Covered Bonds being issued.”

The words “Covered Bonds” in items 6, 8, 10 and 12 on page 158 of the Base Prospectus shall in each case be deleted and replaced with the words “French law Covered Bonds”.

Item 11 on page 158 of the Base Prospectus shall be deleted and replaced with the following:

“(11) So long as French law Covered Bonds and German law Covered Bonds are capable of being issued under the Programme, copies of the following documents will, when published, be available during normal business hours on any Business Day, at the registered office of the Issuer and at the specified office of the Paying Agent(s):

- (a) the *statuts* of the Issuer;
- (b) the Amended and Restated Paying Agency Agreement (which include the form of the *Lettre Comptable*, the Temporary Global Certificates, the Definitive Materialised Covered Bonds, the Coupons, the Receipts and the Talons);
- (c) the Accounts Pledge Agreement and the Receivables Pledge Agreement;
- (d) Final Terms for French law Covered Bonds that are listed on the Official List of the Luxembourg Stock Exchange and traded on the Regulated Market of the Luxembourg Stock Exchange or any other Regulated Market in the EEA;
- (e) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus;
- (f) all reports, letters and other documents, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus; and
- (g) the historical financial information of the Issuer.”