LA BANQUE POSTALE HOME LOAN SFH

A public limited company (*Société Anonyme*) with €210,000,000 in capital

Registered office: 115, rue de Sèvres 75275 Paris Cedex 06

522 047 570 RCS Paris

The "Company"

ARTICLES OF ASSOCIATION

Updated by the Combined General Meeting of 29 May 2020

This translation into English is for information purpose only and has been performed by LA BANQUE POSTALE HOME LOAN SFH.
Only the French version published on La Banque Postale Home Loan SFH website is authoritative

ARTICLE 1 – FORM

The Company was set up as a simplified joint-stock company and registered with the Paris Trade and Companies Registry.

It was converted to a public limited company (*société anonyme*) by decision of the shareholders at the Extraordinary General Meeting of 7 February 2013.

It is governed by law and the regulatory provisions in effect, and notably, by the provisions applicable to it:

- the provisions of the French Commercial Code regarding commercial companies;
- the provisions applicable to specialised credit institutions and, in particular, to home financing companies (Articles L.511-1 et seq. and Articles L.513-1 et seq. of the French Monetary and Financial Code).
- the provisions of order No. 2014-948 of 20 August 2014 on governance and transactions involving the share capital of companies with public shareholdings; and
- these Articles of Association.

Article 2 – PURPOSE

Within the context of the provisions applicable to home financing, the Company's sole purpose, both in France and in other countries, is to grant or finance home loans which meet the eligibility criteria provided for in Article L.513-29 of the French Monetary and Financial Code and to hold securities and stock under the conditions defined in the laws applicable to home financing companies.

In accordance with the terms of Article L.513-29 of the French Monetary and Financial Code, the Company can carry out the following activities ad transactions to achieve its purpose:

- grant to all credit institutions loans guaranteed by the provision, transfer or pledging of eligible home loan receivables, benefiting from the provisions of Articles L.211-36 to L.211-40 of the French Monetary and Financial Code and Articles L.313-23 to L.313-35 of the same code, regardless if the receivables are of a professional nature or not;
- acquire promissory notes issued by any credit establishment under the terms and conditions defined in Articles L.313-43 to L.313-48 of the French Monetary and Financial Code and which, by derogation to Article L.313-42 of the French Monetary and Financial Code raise eligible home loan receivables;
- for the financing of these transactions in accordance with the terms of Article L.513-30 of the French Monetary and Financial Code, issue bonds, called covered bonds, which benefit from the privilege defined in Article L.513-11 of the French Monetary and Financial Code and raise other funds (including on the basis of foreign rights) whose contract or document intended to inform the general public as meant by Article L.412-1 of the French Monetary and Financial Code or any equivalent document required for admission to foreign regulated markets refers to the privilege and, if applicable, raise other funds which do not benefit from the privileged status defined in Article L.513-11 of the French Monetary and Financial Code via (i) loans or funds whose contract or document intended to inform the general public as meant by Article L.412-1 of the French Monetary and Financial Code or any equivalent document required for admission to foreign regulated markets does not mention the privileged status defined in Article L.513-11 of the French Monetary and Financial Code, (ii) the issue of promissory notes under the terms and conditions of Articles L.313-43 to L.313-48 of the French Monetary and Financial Code which, by derogation to Article L.313-42 of the same code, raises eligible housing loan receivables and (iii) notwithstanding any provisions or stipulations to the contrary, the temporary disposal of its securities under the terms and conditions set in Articles L.211-22 to L.211-34 of the French Monetary and Financial Code, the pledging of a securities account defined in Article L.211-20 of the same code and the assignment of all or part of the receivables they hold in accordance with Articles L.211-36 to L.211-40 of the same code and in compliance with Articles L.313-23 to L.313-35 of the same code, regardless of the receivables are of a professional nature or not;

- and, generally, carry out all other transactions authorised by regulations applicable to housing financing companies and, notably, to acquire and own all movable and immovable property required for the accomplishment of their purpose or resulting from the proceeds of their receivables. On the other hand, the Company cannot hold any equity investments.

In general, the Company can carry out all transactions related to its business or which, directly or indirectly, contribute to the accomplishment of its exclusive legal purpose, as long as the transactions comply with the purpose of housing financing companies as defined by the legal and regulatory provisions in effect governing their business activities.

Article 3 – NAME

The name of the Company is: LA BANQUE POSTALE HOME LOAN SFH

The company name is abbreviated (acronym) as: LBP HOME LOAN SFH

All of the deeds and documents issued by the Company intended for third parties must include the company name immediately preceded or followed by the words “public limited company” or the letters “SA”, the registration number in the Trade and Companies Registry and the company’s share capital.

Article 4 – REGISTERED OFFICE

The registered office is located at 115 rue de Sèvres - 75275 Paris Cedex 06.

It can be transferred anywhere in France by simple decision of the Board of Directors, subject to the ratification of the decision by the next Ordinary General Meeting. In this case, the Board of Directors is authorised to amend the Articles of Association accordingly.

Article 5 – DURATION

The Company has a duration of ninety-nine (99) years as of its registration with the Trade and Companies Registry, unless it is dissolved early or its term is extended.

Article 6 – SHARE CAPITAL

The Company’s has two hundred ten million euros (€210,000,000) in share capital. It is divided into twenty-one million (21,000,000) shares of ten (10) euros each, fully paid up and of the same class.

Article 7 – CHANGES IN CAPITAL

The share capital can increased, reduced or amortised under the conditions provided for by law.

Article 8 – CURRENT ACCOUNTS

Shareholders may provide the Company with all amounts, whether interest bearing or not, which it may need.

Article 9 – PAYING UP OF SHARES

Shares subscribed to in cash following a capital increase must be paid up in the amount of at least a quarter of their nominal value when they are subscribed and, if applicable, in the amount of the total issue premium.

The paying up of the surplus occurs in one or more transactions by decision of the Board of Directors within maximum five (5) years as of the registration of the Company, or of the day the capital increase is finalised.

The shareholders can make early payments.

Subscribers must be made aware of calls for funds at least fifteen (15) days in advance of the date set for each payment.

Late payment of the amounts due on the portion of the shares which has not been paid will automatically and without any formal notification, incur interest at the legal rate as of the due date, without prejudice to any other recourse and sanctions provided for in law.

Article 10 – FORM OF THE SHARES

The shares are registered shares. Ownership of the shares results from their accounting entry in the name of their holder under the conditions and according to the procedures provided for by law.

An attestation of accounting entry will be sent to the shareholder at their request and expense.

Article 11 - SHARE DISPOSALS AND TRANSFERS

11.1 Shares can be traded as of the time the Company is registered with the Trade and Companies Registry. In the event of a capital increase, the shares can be traded as of that date. They remain negotiable until the close of the liquidation.

11.2 In addition to compliance with the decree of 4 December 2017 on approval, changes in status and withdrawal of approval given to credit institutions and, if applicable, the provisions applicable to public sector companies, share disposals are carried out, with respect to the Company and third parties, via a wire transfer from the transferor's account to the transferee's account based on a movement order. The movement must first be entered in a numbered and registered account, held chronologically, called a "transfer register".

The Company is required to proceed with the registration and transfer as soon as the movement order is received.

Free transmission, or following a death, is also done based on a movement order which is transcribed to the transfer register based on proof that the movement is being done in compliance with legal requirements.

The cost of share transfers is payable by the transferees, unless there is an agreement to the contrary between the transferors and transferees.

Shares which are not fully paid up cannot be transferred.

11.3 For Articles 11.4 to 11.9.2, the terms below have the following meanings:

"Disposal": when this term is used in relation to a Company security (as the term is defined below), it means the transfer, sale, disposal, donation, payment in kind, constitution of a dismembered ownership right, creation of a trust (yours or another person's), voluntarily or not, free of charge or for payment, including any exchange, contribution, universal transfer or under universal title (merger, absorption, split, etc. of a Securities holder), creation of a guarantee or any transfer of Securities by a natural person to their heirs, beneficiaries or their spouse, including following a death or the liquidation of community property;

"Securities": means the Company's shares and any Company Securities (including the usufruct or bare ownership of the Securities) issued or to be issued, providing access, immediately or in the future, including by conversion, subscription, option, or any other means to a right on the capital or a voting right in the Company, including, notably, all share purchase warrants by the Company and any detached rights of the shares or transferable securities of the Company (notably, any preferential subscription rights).

11.4 Disposals between shareholders, for the benefit of the directors of the Company or of their spouses, ascendants and descendants or, in the case of succession, the liquidation of the matrimonial property scheme, are not subject to the approval provided for in this document.

11.5 Disposals other than those covered in Article 11.4 above can only be carried out with the approval of the Board of Directors under the conditions below:

The Company must be informed of the approval request by registered letter with return receipt or delivered in person. It must provide the name of the transferee, the number of Securities being transferred, the exact nature of the planned Disposal, and the price per Security offered by the transferee or, if the planned Disposal does not consist of a sale payable in cash only, the planned remuneration methods.

Approval is give via a notification or if no answer is received within three (3) months.

The approval decision is taken by the Board of Directors. Reasons are not provided and, in the event of refusal, cannot result in any claim whatsoever.

The transferor must be informed of the decision by any means within five (5) days.

In the event of refusal, the transferor will have five (5) days to inform the Company if they are withdrawing the planned Disposal or not.

11.6 In the event that the transferor does not give up on the planned Disposal, the Board of Directors is required, within three (3) months as of the time the refusal is notified, to have the Securities acquired either by shareholders or by third parties, or, with the consent of the transferor, by the Company in order to reduce the capital.

For this purpose, the Chairman of the Board of Directors will inform the shareholders of the planned Disposal at the end of a period of five (5) days granted to the transferor to give up the planned Disposal, by inviting each shareholder to inform them of the number of Securities they want to acquire.

The purchase offers must be sent by the shareholders to the Company within fifteen (15) days of receiving notification. The allocation of the Securities among the purchasing shareholders is done by the Board of Directors, proportionally to their holding in the capital and up to the amounts requested, with the balance allocated by the largest remainder method.

11.7 If no purchase requests are received by the Company within the time-frame above, or if the requests do not cover all of the Securities, the Board of Directors can allow third parties to purchase the Securities available.

11.8 The Securities can also be purchased by the Company with the approval of the Company. The Board of Directors must request approval by notifying the transferor, to which the latter must respond within ten (10) days of receipt.

If agreement is reached, the Board of Directors will call an Extraordinary General Meeting of Shareholders to decide on the Company's purchase of the Securities and the associated reduction in share capital. The meeting notice must be sent far enough in advance to meet the three-month (3) time-frame above.

In all of the purchase cases above, the price of the Securities is set as shown in 12.9.1 below.

11.9 If all of the Securities have not been purchased within three (3) months as of the notification that approval was denied, the transferor can carry out the Disposal for the benefit of the transferee, for all of the Securities for which the Disposal was planned, notwithstanding any partial purchase offers made.

The three-month (3) time-frame can be extended by an interim order of the President of the Commercial Court, which cannot be appealed, at the request of the Company, the transferor and transferee duly summonsed.

11.9.1 In the event that the Securities are acquired by shareholders or third parties, the Board of Directors must provide the transferor with the last names, first names and domicile of the buyer(s).

If no agreement is reached by the parties on the price of the Securities, it will be set based on the conditions of Article 1843-4 of the Civil Code.

The appraisal fees will be split equally between the transferor and the buyer(s) unless the transferor gives up on the planned Disposal, in which case they will bear the cost of the appraisal alone.

11.9.2 Within eight (8) days of setting the price, the transferor must be informed that, within fifteen (15) days of receipt of the notice, they will have to state whether they are giving up on the Disposal or if, on the contrary, they must go to the registered office to receive this price, which is not interest bearing, and to sign the transfer order.

Article 12 – RIGHTS AND OBLIGATIONS ATTACHED TO SHARES

12.1 Each share provides ownership, in the corporate profits and assets, to a share proportional to the capital it represents. In addition, it provides voting rights and representation at General Meetings under legal and statutory conditions.

12.2 Possession of a share entails automatic compliance with these Articles of Association and the resolutions taken by the general and special meetings. The rights and obligations attached to the share shall follow the security in any change of ownership.

12.3 Shareholders are only liable for losses up to their contributions.

12.4 The heirs, creditors, beneficiaries and other representatives of shareholders cannot request that assets or documents of the Company be sealed, or request their sharing or sale by auction or interfere in their administration. In order to exercise their rights, they must refer to the corporate statements of assets and liabilities and the decisions of the general and special meetings.

12.5 Whenever it is necessary to hold several shares in order to exercise a right, particularly in case of the exchange, grouping or allocation of shares, or as a result of a capital increase or reduction, merger, or other corporate transaction, the owners of single shares or of fewer shares than the number required may exercise the rights only on condition that they personally handle the grouping and, potentially, the purchase or sale of the shares required.

Article 13 – INDIVISIBILITY OF SHARES - USUFRUCT

13.1 The shares are indivisibles with respect to the Company.

The joint owners of undivided shares are represented at general meetings by one of them or by a single proxy. In the event of disagreement, the proxy will be appointed in court at the request of the most diligent co-owner.

13.2 Unless there is an agreement to the contrary of which the Company is informed, in the event of the stripping of property, the voting right will belong to the usufructuary in the ordinary, extraordinary and special general meetings. The joint owners of undivided shares are represented at general meetings by one of them or by a single representative. In the event of disagreement, the representative is appointed in court at the request of the more diligent party.

Article 14 – BOARD OF DIRECTORS

14.1 The Company is administered by a Board of Directors consisting of three (3) members at least and eighteen (18) members at most. The members of the Board of Directors can also include a representative appointed by the State and/or members of the Board of Directors appointed at the recommendation of the State by the Ordinary General Meeting of Shareholders in application of Articles 4 and 6 of order No. 2014-948 of 20 August 2014.

Directors must fulfil the conditions of good repute, knowledge, skills and experience required by the regulations applicable to companies exercising the business activities described in Article 2 of these Articles of Association.

Over the life of the Company, directors are appointed or renewed by the Ordinary General Meeting of Shareholders. However, in the event of a merger or split, the appointment can be made by the Extraordinary General Meeting deciding on the operation.

14.2 Their term of office is six (6) years, with a year being the period between two consecutive annual ordinary general meetings.

Director terms end at the close of the Ordinary General Meeting to approve the financial statements of the past financial year, held in the year during which the director’s term expires.

Directors can be reappointed. They may be dismissed at any time by the Ordinary General Meeting.

The number of directors who have reached the age of seventy (70) cannot exceed one-third of the serving members. If this limit is reached, the oldest director is deemed to have automatically resigned at the end of the next general meeting of shareholders. This stipulation is applicable to the permanent representatives of legal entities.

14.3 Directors can be natural persons or legal entities. Upon appointment, the latter must appoint a permanent representative who shall be subject to the same conditions and obligations and who incur the same liabilities as if he or she were a director in his or her own name, without prejudice to the liability of the legal entity represented.

The mandate as permanent representative is given to him/her for the duration of the mandate of the legal entity represented.

If the legal entity revokes the mandate of its representative, it is required to notify the Company immediately of this revocation as well as the identity of its new permanent representative. The same is true in case of death, resignation, or extended incapacity of the permanent representative.

Directors must comply with the rules governing multiple mandates as they are defined by the legislative and regulatory provisions in effect.

Any private individuals, who find themselves in breach of the above provisions after having accepted a new office, must resign from one of their offices within three months of their appointment.

14.4 In the event of vacancy, due to death or resignation, of one or more of the directorships, the Board of Directors can make temporary appointments between two general meetings. They must do so to make up its numbers within three (3) months as of the day of the vacancy, when the number of directors goes below the statutory minimum without, however, going below the legal minimum.

Appointments made by the board in this way are subject to ratification by the next Ordinary General Meeting. If ratification is not granted, the resolutions voted and the actions taken previously by the board nonetheless remain valid.

When the number of directors falls below the statutory minimum, the remaining members must immediately convene an Ordinary General Meeting of Shareholders to make up the number of members.

The term of co-opted directors will expire at the end of the term of the director they replaced.

Article 15 – CHAIRMAN OF THE BOARD OF DIRECTORS

The Board of Directors elects, from among its natural person members, a chairman for whom it sets the duration of their term, which cannot exceed the term of their directorship. The Chairman can be re-elected. They can be dismissed by the Board of Directors.

In the event that the Chairman is temporarily unavailable or is deceased, the Board of Directors can appoint a director to assume the duties of chairman. In the event of absence, the delegation is for a limited and renewable term. In the event of death, it will remain in effect until a new Chairman is elected.

No one older than seventy (70) can be appointed Chairman of the Board of Directors. In addition, if the Chairman of the Board of Directors is older than 70, they are deemed to have automatically resigned their position at the end of the next Board of Directors meeting.

The Chairman organises and leads the work of the Board of Directors, on which they report to the general meeting.

They ensure that the bodies of the Company function properly and, in particular, that the directors are able to fulfil their duties.

If required, they prepare the report listed in Article L.225-37 of the French Commercial Code under legal and regulatory conditions.

Article 16 – DELIBERATIONS OF THE BOARD OF DIRECTORS

16.1 - Board of Directors meetings

16.1.1 The Board of Directors meets at least four (4) times a year and as often as the interests of the Company require, at the request of its Chairman.

However, (i) when it has not met for more than two (2) months, one third of the members of the Board of Directors, at least, can ask the Chairman to call a meeting with an agenda set by those directors, and (ii) when the Chief Executive Officer does not assume the duties of the Chairman of the Board of Directors, as stated in Article 18 below, the Chief Executive Officer can ask the Chairman to call a Board of Directors meeting with an agenda defined in the request.

In the event that there is no chairman, the group of directors or the Chief Executive Officer who requested that a Board of Directors meeting be called, will be competent to call the meeting and set the agenda.

The Board of Directors meeting can also called by over one third of its members with an agenda and a location set in the meeting notice.

The directors can be invited to the Board of Directors meetings by any means, even verbally. The meeting shall take place at the registered office, or at any other location stated in the meeting notice, including in another country.

The Chairman leads the board meetings. If the board deems it useful, it can appoint a Vice-Chairman to lead the meetings when the Chairman is absent. If the Chairman is absent or cannot attend the meeting, and there is no Vice-Chairman, the meeting shall be chaired by a director specially elected for this purpose by the members of the board present at the meeting. In the event of a tie vote, the oldest candidate will be the chairman.

The board can appoint a secretary who does not have to be a director or shareholder of the Company.

An attendance register must be kept, which is signed by the board members taking part in the Board of Directors meeting. The register is kept in electronic form under the legal and regulatory conditions.

Directors can appoint proxies by letter or fax or any other means. Directors may only have one proxy for any given meeting.

16.1.2 To ensure the validity of the deliberations, at least one half of the directors must be present.

Decisions must be taken by a majority of the members present or represented. The Chairman of the meeting has the casting vote.

16.1.3 The deliberations of the Board are recorded in minutes prepared in accordance with the legal provisions in effect and signed by the meeting Chairman and by a director or, in the absence of the meeting chair, by two directors. Failure to do so does not void any of the decisions taken. The minutes can be kept in electronic form under the legal and regulatory conditions.

Copies and excerpts of the minutes of the deliberations must be certified by the Chairman of the Board of Directors, or by the vice-Chairman when they chair the meeting, the Chief Executive Officer, one of the Deputy Chief Executive Officers, the Managing Director, temporarily assuming the duties of the Chairman or an authorised representative authorised for this purpose. They can be certified by electronic signature under the legal and regulatory conditions.

The directors, and all persons attending the meetings of the board, are bound by secrecy with respect to confidential information and noted as such by the Chairman of the session.

16.1.4 The internal rules established by the Board of Directors can provide that the directors who take part in board meetings via video-conferencing or other telecommunications methods enabling the identification of participants and ensuring their actual participation are deemed to be present for the purposes of calculating the quorum and the majority, in accordance with the regulations in effect. This provision is not applicable to the closing of the annual financial statements or the preparation of the management report.

16.1.5 If a social and economic council is created, it must be represented at Board of Directors meetings in accordance with the provisions of the labour code.

16.1.6 The statutory auditor(s) is/are invited to all Board of Directors meetings called to review or approve the annual or interim financial statements.

16.1.7 The Special Controller is invited to all Board of Directors meetings according to the same procedures as the directors.

16.2 – Written consultations

In accordance with Article L.225-37 of the French Commercial Code, the Board of Directors can take all decisions related to its remit in the cases provided for by law via written consultation with the other directors.

The Chairman of the Board of Directors must send to, or provide, each director with the text of the proposed resolutions and the documents necessary to ensure that they are well informed.

The directors have 10 days as of the receipt or provision of the draft resolutions to send in their vote in writing unless a shorter time-frame is requested by the Chairman of the board in the event of an emergency. The vote for each resolution must consist of the words "yes", "no" or "abstain". The directors' votes must be sent to the Company, to the attention of the Chairman of the Board by email, by letter delivered in person, or by registered letter with return receipt sent to the registered office of the Company.

Directors who have not answered within the time-frame stated in the previous paragraph will be deemed to have abstained. Likewise, in the event that there is no vote on one of the proposed resolutions or in cases when the direction of the vote for one of the proposed resolutions has not been clearly indicated, the director will be deemed to have abstained for the resolution in question.

Directors can request additional information from the Chairman within the response time-frame allocated.

The majority conditions set for decisions taken in accordance with Article 22 are applied in exactly the same way to written consultations.

The consultation is listed in minutes prepared and signed by the Chairman. The minutes provide the consultation procedure, the first and last names of the directors taking part in the vote, the documents and information provided to the directors, the text of the resolutions voted on and the results of the voting. A table summarising the direction of the votes for each resolution and each member of the Board of Directors must be attached to the minutes. The minutes must be submitted for the approval of the Board of Directors at one of its subsequent meetings.

Article 17 – POWERS OF THE BOARD OF DIRECTORS

17.1 The Board of Directors sets the Company's business strategy and oversees its implementation. Subject to the powers expressly granted to the shareholders meetings, and within the limits of the corporate purpose, it reviews all issues impacting the smooth operation of the Company and settles issues of concern to it.

However, the decisions of the Board cannot impact the powers granted by law to the Chief Executive Officer, particularly when the latter does not assume the duties of Chairman of the Board of Directors.

In addition, the Board of Directors carries out the checks and verifications that it deems appropriate.

By delegation from the Extraordinary General Meeting, the Board of Directors makes all required changes to the Articles of Association to ensure that they conform to all legal and regulatory provisions, subject to the ratification of the changes by the next Extraordinary Meeting of Shareholders.

17.2 In accordance with the provisions of Article L.823-19 of the French Commercial Code and subject to the exemptions provided for in Article L.823-20 of said code, a specialised Audit Committee is appointed, acting under the exclusive and collective responsibility of the members of the Board of Directors, which monitors issues related to the preparation and control of accounting and financial information.

The Board can create committees or commissions itself, or with the assistance of non-directors, responsible for studying the issues that the Board or its Chairman send to them for review. The committees and commissions carry out their duties under the latter's responsibility.

Among others, the Board of Directors sets up the committees described in Articles L.511-89 et seq. of the French Monetary and Financial Code.

17.3 The agreements covered in Article 21 must receive prior authorisation from of the Board of Directors.

17.4 The Board of Directors performs the tasks assigned to the supervisory body pursuant to the order of 3 November 2014 on the internal control of companies in the banking, payment services and investment services sectors under the supervision of the French Prudential Supervision and Resolution Authority (ACPR) related notably to:

- approval of the liquidity risk tolerance level acceptable to the Company based on its risk profile and emergency plans with respect to liquidity risk and the annual review of the tolerance level and strategies, policies, procedures, systems, tools and limits implemented to detect, measure, manage and track the liquidity risk over different periods;
- setting significance thresholds enabling the identification of material incidents revealed by the internal control procedures which it and the shareholders must be informed of;
- the review, at least one (1) time a year of (i) of internal control activity and results, notably the control of compliance based on the information sent to it for this purpose by the Chief Executive Officer, the deputy Chief Executive Officers and by the internal control and compliance managers, and (ii) of any significant events identified by internal control procedures;
- the review of reports on internal control and of the report on the measurement and monitoring of risks sent to it one (1) time each year;
- if required, the review and setting of overall risk limits insofar as necessary and at least once a year, taking into account the equity of the Company and, if required, its consolidated equity and their allocation within the Group, adjusted for the risks run.

The Board of Directors has the power to decide or authorise the issue of covered bonds and other equivalent financial instruments issued based on foreign rights, on regulated and unregulated markets or off-market.

Article 18 – EXECUTIVE MANAGEMENT – SELECTION OF THE BOARD OF DIRECTORS

In accordance with the provisions of the French Monetary and Financial Code, the chairmanship of the Company's Board of Directors cannot be held by the Chief Executive Officer. However, the French Prudential Supervision and Resolution Authority can authorise the combining of these duties based on the supporting documents provided by the Company.

Article 19 – THE CHIEF EXECUTIVE OFFICER - THE DEPUTY CHIEF EXECUTIVE OFFICER

19.1 The Board of Directors can appoint a director or a non-director as Chief Executive Officer. The Chief Executive Officer must fulfil the conditions of good repute, knowledge, skills and experience required by the regulations applicable to companies exercising the business activities described in Article 2 of these Articles of Association.

19.2 The Board of Directors sets the Chief Executive Officer's term of office and their compensation. The Chief Executive Officer cannot be over seventy (70) years old. Should they exceed that age, they are deemed to have resigned automatically at the time of the first Board of Directors meeting after their birthday.

The Board of Directors may dismiss the Chief Executive Officer at any time.

The Chief Executive Officer is invested with the most extensive powers to act in the Company's name under all circumstances. They exercise said powers within the scope of the corporate purpose and subject to the constraints law expressly assigns to shareholders' meetings, the Board of Directors and the Chairman of the Board of Directors. They represent the Company in its relations with third parties. In accordance with the provisions of Article L.511-13 of the French Monetary and Financial Code and position 2014-P-07 of the French Prudential Supervision and Resolution Authority, the Chief Executive Officer is the effective manager, responsible for managing the Company's business. They must fulfil the conditions of good repute, knowledge, skills and experience stated in Article L.511-51 of the above-mentioned code.

The provisions of the Articles of Association and the decisions of the Board of Directors limiting the powers of the Chief Executive Officer are enforceable on third parties.

19.3 On a recommendation of the Chief Executive Officer, the Board can appoint one or two Deputy Chief Executive Officers, natural persons, responsible for assisting the Chief Executive Officer. The Deputy Chief Executive Officers have the same powers as the Chief Executive Officer as regards third parties. The Deputy Chief Executive Officer(s) must also fulfil the conditions of good repute, knowledge, skills and experience required by the regulations applicable to companies exercising the business activities described in Article 2 of these Articles of Association.

19.4 In accordance with the provisions of Article L.511-13 of the French Monetary and Financial Code and position 2014-P-07 of the French Prudential Supervision and Resolution Authority, the Deputy Chief Executive Officer(s) is/are the effective manager(s) and, as a result, must meet the provisions of Article L.511-51 of the above-mentioned code.

19.5 The Chief Executive Officer or the Deputy Chief Executive Officer(s) perform the tasks assigned to effective managers pursuant to the order of 3 November 2014 on the internal control of companies in the banking, payment services and investment services sectors under the supervision of the French Prudential Supervision and Resolution Authority (ACPR).

19.6 The Chief Executive Officer and the Deputy Chief Executive Officer(s) can appoint all special proxies and decide on the creation of commissions and committees for which they decide the composition and remit and which carry out their duties under their responsibility without said remit entitling them to delegate, to a commission or a committee, the powers assigned to the Chief Executive Officer and Deputy Chief Executive Officer(s) by law or the Articles of Association or to reduce or limit the powers of the Board of Directors or of the Shareholders.

The Chief Executive Officers and the Deputy Chief Executive Officer(s) must comply with the rules governing multiple mandates as they are defined by the legislative and regulatory provisions in effect.

Any private individuals, who find themselves in breach of the above provisions after having accepted a new office, must resign from one of their offices within three months of their appointment.

Article 20 – REMUNERATION OF THE DIRECTORS, CHAIRMAN, CHIEF EXECUTIVE OFFICER, DEPUTY CHIEF EXECUTIVE OFFICERS AND REPRESENTATIVES OF THE BOARD OF DIRECTORS

20.1 The General Meeting can allocate a fixed annual amount to the directors as remuneration for their work. The Board of Directors divides the remuneration allocated between its members in accordance with the legal and regulatory provisions in effect.

20.2 The remuneration of the Chairman of the Board of Directors, of the Chief Executive Officer and of the Deputy Chief Executive Officer(s) are set by the Board of Directors.

20.3 The Board of Directors can allocate exceptional remuneration for missions or mandates entrusted to directors. In this case, the remuneration recorded in operating expenses is reported to the Statutory Auditors and submitted for the approval of the Ordinary General Meeting of Shareholders.

Article 21 – AGREEMENTS BETWEEN THE COMPANY AND A DIRECTOR, THE CHIEF EXECUTIVE OFFICER, A DEPUTY CHIEF EXECUTIVE OFFICER OR A SHAREHOLDER WITH MORE THAN 10% OF THE VOTING RIGHTS

In accordance with legal provisions, all agreements reached by the Company, directly or via a third party, with its Chief Executive Officer, a Deputy Chief Executive Officer, a Director or a shareholder holding more than 10% of the voting rights or, in the case of a shareholding company, the company controlling it as meant in Article L.233-3 of the French Commercial Code, must be submitted for the prior authorisation of the Board of Directors, then, based on the Statutory Auditor's special report, for the approval of the Ordinary General Meeting of Shareholders.

The same applies to agreements in which the above have an indirect interest.

These provisions are also applicable to agreements between the Company and other companies if the Chief Executive Officer, a Deputy Chief Executive Officer or a director of the Company is an owner, partner with unlimited liability, manager, director, member of the Supervisory Board or, generally speaking, an executive of the company.

In accordance with legal provisions, the above provisions are not applicable to agreements on current operations concluded under normal conditions or to agreements between the Company and its parent company, which holds all of its share capital, less the minimum number of shares required by the legal provisions in effect.

In accordance with legal provisions, any person with a direct or indirect interest in the agreement must inform the Board as soon as they learn of an agreement to which Article L.225-38 is applicable. They cannot take part in the deliberations or voting on the authorisation requested.

Article 22 – STATUTORY AUDITORS

Control is exercised by one or more statutory auditors appointed and carrying out their duties in accordance with the law.

In accordance with legal and regulatory provisions, the Company must inform the French Prudential Supervision and Resolution Authority of the appointment of one or more Statutory Auditors, both at the time of first appointment and of the renewal of a previous mandate.

Article 23 – SPECIAL CONTROLLER

A Special Controller and an Alternate Special Controller selected from among the auditors registered on the list of Statutory Auditors are appointed for a period of four (4) years by management on the recommendation of the French Prudential Supervision and Resolution Authority. The conditions for the appointment, renewal and dismissal of special controllers must comply with the principles described in the French Monetary and Financial Code. The Statutory Auditors of any company controlling the Company, as meant by Article L.233-3 of the French Commercial Code, or the Statutory Auditors of a company controlled directly or indirectly by a company controlling the Company cannot be appointed as the Special or Alternate Special Controller.

The Special Controller is responsible for the missions and entrusted with the powers granted to them by law and the regulations applicable to mortgage credit companies. They certify the documents sent to the French Prudential Supervision and Resolution Authority and prepare an annual report on the execution of their assignment for the Chief Executive Officer and the Board of Directors, a copy of which is sent to the French Prudential Supervision and Resolution Authority.

The Special Controller attends all meetings of the Board of Directors and the Shareholders' Meetings, to which they are invited under the same conditions as the directors and the shareholders. The Board of Directors will meet with them at their request.

Article 24 – GENERAL MEETINGS

24.1 The collective decisions of the shareholders are taken by at the general meetings which are either ordinary, extraordinary or special depending on the type of decisions they are called upon to make.

24.2 General meetings are called by the Board of Directors, by the Statutory Auditor(s), or by a proxy appointed by the courts at the request of the shareholders holding at least 5% of the share capital or at least one twentieth of the shares of the class in question, in the case of a special meeting.

Following the dissolution of the Company, the meetings are called by the liquidator(s).

The meetings are held at the registered office or at any other location indicated in the meeting notice.

The notice must be sent out at least fifteen (15) days prior to the meeting date, under the conditions set in law.

When the meeting is unable to deliberate because it does not have the required quorum, the second meeting and, if applicable, the second delayed meeting, must be called ten (10) days at least in advance, with the same formalities as the first one. The meeting notices and letters for the second meeting must show the date and agenda of the first meeting.

24.3 The meeting agenda must appear on the meeting notices and letters and is approved by the person calling the meeting.

The meeting can only deliberate on issues appearing on the agenda, which cannot be changed on the second meeting notice. However, it can, in any event, dismiss one or more directors and replace them.

One or more shareholders holding at least the share of capital required by law, and acting under the legal conditions and time-frames, can require that points and draft resolutions be added to the agenda.

24.4 Any shareholder, regardless of the number of shares they own, is entitled to attend the General Meetings of Shareholders and take part in the deliberations personally or via a proxy or to take part in voting by post under legal and regulatory conditions.

A shareholder may be represented by his/her spouse, their partner in a civil solidarity pact or by another shareholder.

All shareholders may vote by post, according to the legal and regulatory procedures in effect.

Shareholders can, under the conditions set by law and regulations, send their proxy and voting forms by post for any General Meeting.

The legal representatives of shareholders who are legally ineligible and the natural persons representing legal entity shareholders may attend meetings regardless if they themselves are shareholders.

24.5 An attendance sheet is kept for each meeting with the information required by law.

The attendance sheet, duly initialled by the shareholders and proxies present and to which can be attached, if required, in electronic or digitised format, the powers given to each proxy and, if applicable, the voting by post forms, must be certified as accurate by the meeting committee.

Meetings are chaired by the Chairman of the Board of Directors or, in their absence, by the Vice-Chairman of the Board. In their absence, or if the Board did not authorise another of its members among those present to chair the meeting, the meeting will elect the chairman itself.

Teller duties are exercised by two members of the General Meeting who are present and accept the office and who hold the largest number of shares by themselves or as proxies.

The committee, consisting of the chairman of the meeting and of the tellers, appoints the secretary who does not have to be a shareholder.

The members of the committee are tasked with checking, certifying and signing the attendance sheet, ensuring the smooth running of the discussions, settling any disputes arising during the meeting, checking the votes, ensuring their legality and preparing the minutes.

Minutes shall be drawn up, and copies or extracts of the proceedings shall be issued and certified in accordance with the law. They can be prepared electronically and certified by electronic signature form under the legal and regulatory conditions.

24.6 The quorum for ordinary and extraordinary general meetings is calculated on all of the shares of the share capital, minus the shares which are not entitled to a vote by virtue of legal provisions.

The voting rights attached to shares are proportional to the capital they represent. Each capital and dividend share provides the right to one vote.

24.7 Ordinary General Meeting. The Ordinary General Meeting can take any decisions which do not alter the Articles of Association.

It meets at least once a year within five (5) months of the close of each financial year to approve the financial statements of the period.

It can only validly deliberate, the first time it is called, if the shareholders present or represented, or who have voted by post, hold at least one fifth of the shares entitled to a vote. No quorum is required the second time it is called.

It takes decisions by a majority vote of the shareholders present, represented or voting by post. The votes do not include those attached to the shares of shareholders who did not take part in the vote, abstained or cast a blank or invalid vote.

24.8 Extraordinary General Meeting. The Extraordinary General Meeting is alone authorised to alter the provisions of the Articles of Association. It can increase the commitments of shareholders without obtaining their unanimous approval.

Unless there are special legal provisions, it can validly deliberate only when the shareholders present, represented or voting by post hold, at the time of the first meeting notice, at least a quarter of the shares, and a fifth of the shares entitled to vote at the time of the second meeting notice. If the latter quorum isn't met, the second meeting can be delayed for up to two (2) months after the first meeting was originally called.
Unless there are special legal provisions, it takes decisions by a two-thirds majority votes of the shareholders present, represented or voting by post. The votes do not include those attached to shares of shareholders who did not take part in the vote, abstained or cast a blank or invalid vote.

However, capital increases via the incorporation of reserves, profits or issue premiums are validly decided under the quorum and majority conditions of ordinary meetings.

24.9 Special meetings Special meetings bring together the holders of a given class of shares. The decision of an Extraordinary General Meeting to change the rights of a share class only takes effect after approval of the change by the Special Meeting of Shareholders of that class.

The Special Meetings of Shareholders of a given class are called and deliberate under the same conditions as Extraordinary General Meetings with the exception of the quorum which is one third of the shares of the class in question for the first meeting notice and a fifth for the second notice.

24.10 If a social and economic council is created, the representation of the committee at general meetings must comply with the provisions of the labour code.

24.11 The Statutory Auditor(s) are also invited to all of the general meetings regardless of type (ordinary, extraordinary, and special) or of the agenda of the meetings.

24.12 The Special Controller is invited to all of the general meetings regardless of type (ordinary, extraordinary, and special) or of the agenda of the meetings based on the same procedures as the shareholders.

24.13 The representatives of the body of bondholders can attend the general meetings without voting rights.

Article 25 – RIGHT OF SHAREHOLDERS AND BONDHOLDERS TO INFORMATION

All shareholders are entitled to receive the documents required to enable them to vote with full knowledge of the facts and to make an informed judgement on the management and direction of the Company. The Company has an obligation to provide them with the documents or to send them under the conditions required by law.

Article 26 – FINANCIAL YEAR

The financial year runs for a period of twelve (12) months beginning on 1 January and ending on 31 December each year.

Article 27 – SETTING, ALLOCATION AND DISTRIBUTON OF THE RESULTS

The income statement, which summarises the income and expenses for the financial year, shows, after deduction of depreciation, amortisation and provisions, the profit or loss for the financial year.

Five percent (5%), at least, of the profit for the financial year, less previous losses, if applicable, is deducted to create the legal reserve. The deduction is no longer compulsory when the reserve reaches a tenth of the share capital. It comes back into effect when the legal reserve falls below a tenth.

The distributable profit consists of the profit for the financial year less prior losses and the amount of reserves, in application of the law or of the Articles of Association, increased by the profit carried forward. Of this profit, the General Meeting can deduct the amounts it deems appropriate for any optional reserve funds or to carry forward.

In addition, the General Meeting can decide on the distribution of the amounts deducted from the reserves at its disposal, expressly indicating the reserve items from which the deductions are made. However, dividends must first be deducted from the distributable profit for the year.

Excluding a capital reduction, no distributions can be made to shareholders when equity is, or after the distribution could drop, below the amount of capital plus the reserves which cannot be distributed legally or according to the Articles of Association.
The revaluation difference cannot be distributed; it can be incorporated in the capital in part or in full.

If there is a loss, it is recorded in a special account to be imputed to the profits of later financial years until extinguished.

Article 28 – DIVIDEND PAYMENTS

The General Meeting or the Board of Directors defines the procedures for dividend payments voted by the General Meeting. However, dividend payments in cash must be made within a maximum period of nine (9) months after the close of the financial year, unless that period is extended by a court order.

When a balance sheet drawn up during or at the end of the financial year, and certified by a statutory auditor, shows that the Company has made a profit since the close of the previous financial year, after recording the required depreciation and amortisation and provision charges, and after deducting prior losses, where necessary, as well as the amounts to be recorded under reserves pursuant to the law and to the Articles of Association, and taking earnings carried forward into account, an interim dividend may be distributed, before the approval of the financial statements for the year. The amount of this interim dividend may not exceed the amount of the profit thus determined.

Dividends that are not claimed within five years of their payment shall lapse.

The General Meeting has the power to grant each shareholder the option of payment of the dividend or interim dividends in cash or in shares, for all or part of the dividend or interim dividend distributed. The request for payment of the dividend in shares must be made within the time-frame set by the General Meeting. It cannot be greater than three (3) months as of the date of the meeting. The time period can be suspended for no longer than three (3) months, by decision of the Board of Directors, in the event of a capital increase.

Article 29 – LIQUIDATION

Excluding the cases of judicial liquidation provided for in law, the Company will be dissolved at the end of the term set in the Articles of Association or by decision of the Extraordinary General Meeting of Shareholders. The General Meeting chooses the method of liquidation and appoints one or more liquidators, whose powers it determines, and who fulfil their duties in accordance with the law.

The liquidator(s) shall represent the Company. Following asset liquidation and the settlement of liabilities, the liquidator(s) shall distribute any available balance.

The remaining net assets following the redemption of the shares at their nominal value shall be shared among the shareholders in proportion to their interest in the share capital.

Article 30 – LOSS OF EQUITY

If, as a result of the losses seen in the accounting documents, the Company's equity should fall below half of the share capital, the Board of Directors is required to call an Extraordinary General Meeting within four (4) months of the approval of the financial statements which revealed the loss, in order to decide if the Company should be dissolved early.

If the dissolution is not agreed, the Company must, at the latest by the close of the second financial year following the one in which the loss was identified and subject to the provisions of Article L.224-2 of the French Commercial Code, reduce its capital by an amount at least equal to the losses which could not be moved to reserves if, within this period, the share capital has not been reconstituted in an amount at least equal to half of the share capital.

In the event that these requirements are not implemented, any interested person can ask the courts to dissolve the Company. The same holds true if the shareholders were not able to validly deliberate. However, the courts cannot dissolve the Company if the adjustment has been made the day on which it rules on the merits.

Article 31 – DISPUTES

Any disputes that may arise during the life of the Company or its liquidation, either between the shareholders or between a shareholder or a director and the Company, regarding corporate affairs or the execution of statutory provisions shall be judged in accordance with the law and subject to the jurisdiction of the competent courts.