



TOTAL S.A.

(incorporated as a société anonyme with limited liability in the Republic of France)
as Issuer

**€1,750,000,000 Undated Non-Call 6 Year Deeply Subordinated Fixed Rate Resetable Notes
issued as Tranche 1 of Series 111**

**under the €30,000,000,000 Euro Medium Term Note Programme
due from the date of the original issue**

Issue Price: 100.00 per cent.

The Euro 1,750,000,000 Undated Non-Call 6 Year Deeply Subordinated Fixed Rate Resetable Notes (the “**Notes**”) of Total S.A. (“**Total**” or the “**Issuer**”) will be issued on 18 May 2016 (the “**Issue Date**”) under its €30,000,000,000 Euro Medium Term Note Programme (the “**Programme**”).

The principal and interest in respect of the Notes constitute direct, unconditional, unsecured and lowest ranking subordinated obligations (*titres subordonnés de dernier rang*) of the Issuer and rank and will rank *pari passu* among themselves and equally and rateably with all other present or future Deeply Subordinated Obligations, but subordinated to the *prêts participatifs* granted to the Issuer, and Ordinary Subordinated Obligations and Unsubordinated Obligations of the Issuer but in priority to Junior Securities of the Issuer, as set out in “*Status and Subordination of the Notes*” in the Terms and Conditions of the Notes.

The Notes are undated securities with no specified maturity date.

The Issuer will have the right to redeem all (but not some only) of the Notes on the relevant First Reset Date or upon any Interest Payment Date thereafter, as defined and further described in “*Redemption and Purchase - Optional Redemption*” in the Terms and Conditions of the Notes. The Issuer may also, at its option, redeem all (but not some only) of the Notes at any time upon the occurrence of a Gross-Up Event, a Tax Deduction Event, an Accounting Event, an Equity Credit Rating Event or a Substantial Repurchase Event, and shall redeem all (but not some only) of the Notes at any time upon an occurrence of a Withholding Tax Event, as further described in “*Redemption and Purchase*” in the Terms and Conditions of the Notes.

The Issuer will also have the right to substitute or vary the terms and conditions of the Notes in the event that a Gross-Up Event, a Tax Deduction Event, an Accounting Event, an Equity Credit Rating Event or a Withholding Tax Event has occurred or is expected to occur as further described in “*Redemption and Purchase*” in the Terms and Conditions of the Notes.

Unless previously redeemed in accordance with the “*Redemption and Purchase*”, and subject to the further provisions described in “*Interest*”, in the Terms and Conditions of the Notes, the Notes shall bear interest on their principal amount as from the Issue Date as follows:

- (i) from, and including, the Issue Date to, but excluding, 18 May 2022 (the “**First Reset Date**”), at an interest rate of 3.875 per cent. *per annum*, payable annually in arrear on 18 May of each year, commencing on 18 May 2017 and ending on the First Reset Date;
- (ii) from, and including, the First Reset Date to, but excluding, 18 May 2027 (the “**First Step-up Date**”), at an interest rate *per annum* which shall be equal to the sum of the Reference Rate of the relevant Reset Period and the Initial Margin, payable annually in arrear on 18 May of each year, commencing on 18 May 2023 and ending on the First Step-up Date;
- (iii) from, and including, the First Step-up Date to, but excluding, 18 May 2042 (the “**Second Step-up Date**”), at an interest rate *per annum* which will be subject to a reset every five years and shall be equal to the sum

of the Reference Rate of the relevant Reset Period, the Initial Margin and the First Step-up Margin, payable annually in arrear on 18 May of each year, commencing on 18 May 2028 and ending on the Second Step-up Date; and

- (iv) from, and including, the Second Step-up Date, at an interest rate *per annum* which will be subject to a reset every five years and shall be equal to the sum of the Reference Rate of the relevant Reset Period, the Initial Margin and the Second Step-up Margin, payable annually in arrear on 18 May of each year, commencing on 18 May 2043;

where the Initial Margin shall be 3.783 per cent. *per annum*, the First Step-up Margin shall be 0.25 per cent. *per annum* and the Second Step-up Margin shall be 1.00 per cent. *per annum*.

Payment of interest on the Notes may be deferred at the option of the Issuer under certain circumstances, as set out in “Interest – Optional Interest Deferral” in the Terms and Conditions of the Notes.

This prospectus (the “**Prospectus**”) constitutes a prospectus for the purposes of Article 5.3 of Directive 2003/71/EC as amended by Directive 2010/73/EU, as amended (the “**Prospectus Directive**”) and the relevant implementing measures in France.

This Prospectus has been prepared for the purposes of giving information with regard to Total and its consolidated subsidiaries taken as a whole (together with the Issuer, the “**Group**”) and the Notes which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of Total and the Group. Application has been made to the *Autorité des marchés financiers* (the “**AMF**”) in France for approval of this Prospectus, in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive. Application has been made to Euronext Paris for the Notes to be admitted to trading on Euronext Paris. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC as amended, appearing on the list of regulated markets issued by the European Commission.

The Notes will be in bearer form and in the denominations of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. The Notes will initially be represented by a temporary global note (the “**Temporary Global Note**”), without interest coupons, which will be deposited on or about the Issue Date with a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”). Interests in the Temporary Global Note will be exchangeable for interests in a permanent global note (the “**Permanent Global Note**” and, together with the relevant Temporary Global Note, the “**Global Notes**”), without interest coupons, on or after 27 June 2016, upon certification as to non-U.S. beneficial ownership.

The Issuer is currently rated A+ with a negative outlook by Standard & Poor’s Credit Market Services Limited (“**S&P**”) and Aa3 with stable outlook by Moody’s Investors Service Limited (“**Moody’s**”). The Notes are expected to be assigned a rating of A- by S&P and A2 by Moody’s. Each of S&P and Moody’s is established in the European Union, is registered under Regulation (EC) No.1060/2009 on credit ratings agencies, as amended by Regulation (EU) No. 513/2011 and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu/page/List-registered-and-certified-CRAs). Credit ratings are subject to revision, suspension or withdrawal at any time by the relevant rating organization. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Copies of this Prospectus may be obtained, free of charge, at the registered office of the Issuer during normal business hours. Copies of this Prospectus will also be available on the website of the AMF (www.amf-france.org) and on the website of the Issuer (www.total.com).

An investment in the Notes involves certain risks. Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. For a discussion of these risks see “Risk Factors” below.

Joint Global Coordinators and Joint Bookrunners

BARCLAYS

CITIGROUP

Joint Bookrunners

BNP PARIBAS

BANCA IMI S.p.A.

UNICREDIT

This Prospectus is to be read and construed in conjunction with the documents incorporated by reference in this Prospectus (see “Documents Incorporated by Reference” below) which have been previously published and which shall be deemed to be incorporated by reference in, and form part of, this Prospectus (except to the extent so specified in, or to the extent inconsistent with, this Prospectus).

This Prospectus has been prepared for the purposes of giving information with regard to Total and its subsidiaries and affiliates taken as a whole (together with the Issuer, the “Group”) and the Notes which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of Total and the Group.

The Issuer (the “Responsible Person”) accepts responsibility for the information contained or incorporated by reference in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained or incorporated by reference in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

No person has been authorised to give any information or to make any representation other than those contained in this Prospectus in connection with the issue or sale of any Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Joint Bookrunners. Neither the delivery of this Prospectus nor the offering, sale or delivery of the Notes shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Group since the date hereof or that there has been no adverse change in the financial position of the Issuer or the Group since the date hereof or that any other information supplied in connection with this Prospectus 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.

Certain of the Joint Bookrunners and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Joint Bookrunners and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer’s affiliates. Certain of the Joint Bookrunners or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Joint Bookrunners and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of Notes. The Joint Bookrunners and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or the solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of the Issuer or the Joint Bookrunners represent that this document may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an

exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Joint Bookrunners which is intended to permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Joint Bookrunners have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes (see “Subscription and Sale” below).

The distribution of this Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restriction.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. SUBJECT TO CERTAIN EXCEPTIONS, NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON OFFERS AND SALES OF NOTES AND ON DISTRIBUTION OF THIS PROSPECTUS, SEE “SUBSCRIPTION AND SALE” HEREIN.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Joint Bookrunners to subscribe for, or purchase, any Notes.

In connection with the issue of the Notes, Citigroup Global Markets Limited will act as stabilising manager (the “Stabilising Manager”). The Stabilising Manager (or persons acting on behalf of the Stabilising Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 calendar days after the issue date of the Notes and 60 calendar days after the date of the allotment of the Notes. Any stabilisation action or over-allotment shall be conducted in accordance with applicable laws and rules.

The Joint Bookrunners have not separately verified the information contained in this Prospectus. None of the Joint Bookrunners makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus. Neither this Prospectus nor any other information incorporated by reference in this Prospectus is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Joint Bookrunners that any recipient of this Prospectus or any other information incorporated by reference should subscribe for or purchase the Notes. In making an investment decision regarding the Notes, prospective investors must rely on their own independent investigation and appraisal of the Issuer, its business and the terms of the offering, including the merits and risks involved. For further details, see “Risk Factors” herein. The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should subscribe for or consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Notes. None of the Joint Bookrunners undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the Notes nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Joint Bookrunners.

In this Prospectus, unless otherwise specified, references to a “Member State” are references to a Member State of the European Economic Area, references to “EUR” or “euro” or “€” are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended, and references to “U.S. dollars”, “U.S. Dollars”, “USD” or “U.S.\$” are to the lawful currency of the United States of America.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain statements that are forward-looking including statements with respect to the Issuer’s business strategies, expansion and growth of operations, trends in its business, competitive advantage, and technological and regulatory changes, information on exchange rate risk and generally includes all statements preceded by, followed by or that include the words “believe”, “expect”, “project”, “anticipate”, “seek”, “estimate” or similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. Potential investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof.

TABLE OF CONTENTS

	Page
RISK FACTORS	7
GENERAL DESCRIPTION OF THE NOTES.....	15
DOCUMENTS INCORPORATED BY REFERENCE	24
TERMS AND CONDITIONS OF THE NOTES	28
USE OF PROCEEDS.....	44
PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM.....	45
TAXATION.....	46
SUBSCRIPTION AND SALE.....	48
GENERAL INFORMATION.....	50
PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS.....	53

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

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

Terms used but not defined in this section shall have the same meaning as that set out in the “Terms and Conditions of the Notes” or elsewhere in this Prospectus.

A. Risk Factors relating to the Issuer

The Risk Factors relating to the Issuer and its operations are set out on pages 59 to 78 of the Total 2015 RD as incorporated by reference in this Prospectus (as defined in the section “Documents Incorporated by Reference” of this Prospectus).

B. Risk Factors relating to the Notes

The following paragraphs describe the main risk factors that are considered material for prospective investors in order to assess the market risk associated with the Notes. They do not describe all the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisers about risks associated with investment in the Notes and the suitability of investing in the Notes in light of their particular circumstances.

1 General Risks relating to the Notes

Notes may not be a suitable investment for all investors

The Notes are complex financial instruments. Each potential investor in the Notes must determine the suitability of that investment in light of such investor’s own circumstances and its own objectives and experience and any other factors which may be relevant to it in connection with such investment, either alone or with the help of a financial advisor. In particular, each potential investor should:

- (i) be experienced with respect to transactions on capital markets and notes and understand the risks of transactions involving the Notes;
- (ii) reach an investment decision only after careful consideration of the information set forth in this Prospectus and general information relating to Notes;
- (iii) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;
- (iv) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;

- (v) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- (vi) understand thoroughly the terms of the Notes;
- (vii) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the relevant risks;
- (viii) make their own assessment of the legal, tax, accounting and regulatory aspects of purchasing the Notes; and
- (ix) consult its legal advisers on legal, tax and related aspects of investment in the Notes.

Some potential investors are subject to restricting investment regulations. These potential investors should consult their legal counsel in order to determine whether investment in the Notes is authorised by law, whether such investment is compatible with their other borrowings or whether the Notes can be used as collateral for any such borrowings and whether other selling restrictions are applicable to them.

Legality of Purchase

Neither the Issuer nor any of the Joint Bookrunners nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

Regulatory Restrictions

Investors whose investment activities are subject to investment laws and regulations or to review or regulation by certain authorities may be subject to restrictions on investments in certain types of debt securities. Investors should review and consider such restrictions prior to investing in the Notes.

Notes where denominations involve integral multiples: Definitive Notes

The Notes have denominations consisting of a minimum denomination of €100,000 plus one or more higher integral multiples of €1,000. It is possible that the Notes may be traded in amounts that are not integral multiples of €100,000. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than €100,000 in its account with the relevant clearing system at the relevant time may not receive a Note in definitive form (a “**Definitive Note**”) in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of the Notes such that its holding amounts to a denomination of at least €100,000 or another specified denomination.

If Definitive Notes are issued, holders should be aware that Definitive Notes which have a denomination that is not an integral multiple of €100,000 may be illiquid and difficult to trade.

Modification and waivers

Condition 10 (*Meetings of Noteholders and Modifications*) of the Terms and Conditions of the Notes contains provisions for calling meetings of Noteholders to consider matters affecting their interests generally including the deliberation of resolutions modifying the relevant Terms and Conditions. These provisions permit defined majorities to bind all Noteholders and Couponholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country

where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for the tax treatment of financial instruments such as the Notes. Potential investors cannot rely upon the tax summary contained in this Prospectus but should ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only such adviser is in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus.

The proposed financial transactions tax

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transactions tax (the "**FTT**") to be implemented under the enhanced cooperation procedure by eleven Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovenia and Slovakia (the "**Participating Member States**")).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The FTT would impose a charge at generally not less than 0.1 per cent. of the sale price on such transactions. Primary market transactions referred to in Article 5(c) of regulation (EC) No 1287/2006 would be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation the timing of which remains unclear. On 8 December 2015 Estonia indicated that it will no longer be a participating Member State whereas the remaining Participating Member States indicated their wish to make some progress before the end of June 2016. Furthermore additional EU Member States may decide to participate. If the proposed directive or any similar tax were adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished.

Prospective holders of Notes are advised to seek their own professional advice in relation to the consequences of the FTT associated with subscribing for, purchasing, and disposing of the Notes.

Change of Law

The Terms and Conditions of the Notes are based on English laws and, with respect to the status and subordination provisions of the Notes, French laws in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in English and/or French laws or administrative practice after the date of this Prospectus.

Specific French insolvency law provision regarding the rights of holders of debt securities

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if a preservation (*procédure de sauvegarde*), an accelerated financial preservation procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under a debt issuance programme (such as the Euro Medium Term Notes Programme of the Issuer) and regardless of their governing law.

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

- increase the liabilities (*charges*) of holders of debt securities (including the Noteholders) by rescheduling due payments and/or partially or totally writing off receivables in form of debt securities;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Notes) into shares or securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders attending such Assembly or represented thereat). No quorum is required to convoke the Assembly.

For the avoidance of doubt, the provisions relating to the meetings of the Noteholders described in this Prospectus and the Agency Agreement will not be applicable to the extent they are not in compliance with compulsory insolvency law provisions that apply in these circumstances.

Liquidity Risks/Trading Market for the Notes/Market Value of the Notes

The Notes may not have an established trading market when issued. There can be no assurance of a secondary market for the Notes or the continued liquidity of such market if one develops.

The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors such as general economic conditions, the financial condition, the creditworthiness of the Issuer and/or the Group, and the value of the applicable Reference Rate, as well as other factors such as the complexity and volatility of the Reference Rate, the interest deferral provisions relating to the Notes (as provided in Condition 5.5 (*Interest - Optional Interest Deferral*)), the level, direction and volatility of interest rates generally and, the redemption features of the Notes, and whether or not the Issuer exercises its call options and the timing of any such exercise (as provided in Condition 6.2 (*Redemption and Purchase – Optional Redemption*)). The historical market prices of the Reference Rate should not be taken as an indication of the Reference Rate's future performance during the life of the Notes.

Accordingly, investors may not be able to sell their Notes readily in the secondary market (in which case the market or trading price and liquidity may be adversely affected) or at prices that will enable investors to realise their anticipated yield or at a yield comparable to similar investment that have a developed secondary market.

The market value of the Notes will also be affected by such foregoing factors as well as by the creditworthiness of the Issuer, and/or that of the Group, and a number of additional interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchange(s) on which the Notes are traded. The price at which a Noteholder will be able to sell the Notes prior to redemption by the Issuer may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

In addition, certain Notes may be acquired for specific investment objectives or strategies relevant to a particular investor and therefore may have a more limited secondary market and experience more price volatility than conventional debt securities.

No investor should purchase Notes unless the investor understands and is able to bear the risk that certain Notes will not be readily sellable, that the value of Notes will fluctuate over time and that such fluctuations will be significant.

Exchange rate risk and exchange controls

The Issuer will pay principal and interest on the Notes in euros. This presents certain risks relating to currency or currency unit conversions if an investor's financial activities are denominated principally in a currency or a currency unit (the "**Investor's Currency**") other than euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to euro would decrease (1) the Investor's Currency equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

2 Risks relating to the structure of the Notes

The Notes and the Coupons are lowest ranking subordinated obligations of the Issuer

The Issuer's obligations under the Notes and the Coupons are direct, unconditional, unsecured and lowest ranking subordinated obligations (*titres subordonnés de dernier rang*) of the Issuer and rank and will rank *pari passu* among themselves. In the event of any judgment rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*), or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation, merger or other reorganisation outside the context of an insolvency and where the resulting entity assumes the obligations of the Issuer under the Notes and the Coupons), the rights of Noteholders and Couponholders to payment under the Notes and the Coupons, as the case may be will be subordinated to the full payment of the unsubordinated creditors of the Issuer (including holders of Unsubordinated Obligations), of the ordinary subordinated creditors of the Issuer (including holders of Ordinary Subordinated Obligations), of lenders in relation to *prêts participatifs* granted to the Issuer, if and to the extent that there is still cash available for those payments. Thus, the Noteholders and Couponholders face a higher recovery risk than holders of unsubordinated and ordinary subordinated obligations of the Issuer. In the event of incomplete payment of unsubordinated creditors and subordinated creditors ranking ahead of the claims of the Noteholders and Couponholders, the obligations of the Issuer in connection with the Notes and the Coupons shall terminate. The claims of the Noteholders and Couponholders under the Notes and the Coupons, as the case may be, are intended to be senior only to claims of shareholders. There are currently no other instruments of the Issuer that rank junior to the Notes or the Coupons other than the ordinary shares of the Issuer.

The Notes are undated securities

The Notes are undated securities, with no specified maturity date. The Issuer is under no obligation to redeem or repurchase the Notes at any time (other than upon the occurrence of a Withholding Tax Event as described in Condition 6.3(ii) (*Redemption and Purchase – Redemption for Taxation Reasons*)), and the Noteholders have no right to require redemption of the Notes. Therefore, prospective investors should be aware that they may be required to bear the financial risks of an investment in the Notes for an indefinite period and may not recover their investment in a foreseeable future.

Deferral of interest payment

On any applicable Interest Payment Date, the Issuer may elect to defer payment in whole (but not in part) of the interest accrued on the Notes to that date, and any such failure to pay shall not constitute a default by the Issuer for any purpose. Any interest in respect of the Notes not paid on an applicable Interest Payment Date will, so long as the same remains outstanding, be deferred and shall constitute Arrears of Interest and bear interest, and shall be payable as provided in Condition 5 (*Interest*) of the Terms and Conditions of the Notes.

Arrears of Interest (together with the corresponding Additional Interest Amounts) in respect of all the Notes of a particular Series shall become due and payable in full on which is the earliest of:

- (a) the tenth (10th) Business Day following the date on which a Mandatory Arrears of Interest Settlement Event occurs;
- (b) the next scheduled Interest Payment Date in respect of which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period;
- (c) the date on which the Notes of such Series are redeemed; or
- (d) the date upon which a judgment is made for the voluntary or judicial liquidation of the Issuer (*liquidation judiciaire* or *liquidation amiable*) as contemplated under Condition 9 (*Enforcement Events, no Events of Default and no Cross Default*) of the Terms and Conditions of the Notes or the sale of the whole of the business (*cession totale de l'entreprise*) of the Issuer subsequent to the opening of a judicial recovery (*redressement judiciaire*) or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency and where the resulting entity assumes the obligations of the Issuer under the Notes).

Any deferral of interest payments will be likely to have an adverse effect on the market price of the Notes. In addition, as a result of the above provisions of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to the above provisions and may be more sensitive generally to adverse changes in the Issuer's financial condition.

Early Redemption Risk

The Issuer may redeem all (but not some only) of the Notes on the First Reset Date, or upon any Interest Payment Date thereafter, and at any time following the occurrence of a Gross-Up Event, a Tax Deduction Event, an Accounting Event, an Equity Credit Rating Event or a Substantial Repurchase Event, as provided in Condition 6 (*Redemption and Purchase*) of the Terms and Conditions of the Notes.

Due to the listing of its shares (in the form of ADRs) on the New York Stock Exchange, the Issuer prepares its consolidated financial statements in accordance with IFRS both as issued by the International Accounting Standards Board ("**IFRS-IASB**") and as adopted by the European Union ("**IFRS-EU**"). Accordingly, the Issuer may be entitled to exercise its option to redeem the Notes pursuant to an Accounting Event as a result of a change in accounting principles or methodology either in IFRS-IASB or IFRS-EU.

The Issuer shall redeem all (but not some only) of the Notes following the occurrence of a Withholding Tax Event.

In the event of an early redemption of the Notes at the option of the Issuer following the occurrence of a Gross-Up Event or a Par Substantial Repurchase Event, or if the Issuer is required to redeem the Notes following the occurrence of a Withholding Tax Event, such early redemption of the Notes will be made at the principal amount of the Notes together with any accrued interest and Arrears of Interest (including any Additional Interest Amounts thereon), as provided in Condition 6

(Redemption and Purchase) of the Terms and Conditions of the Notes. In the event of an early redemption at the option of the Issuer following the occurrence of a Tax Deduction Event, an Accounting Event, an Equity Credit Rating Event or a Premium Substantial Repurchase Event, such early redemption of the Notes will be made (i) at the Early Redemption Price (being 101% of their principal amount), where such redemption occurs before the First Reset Date, or (ii) at their principal amount where such redemption occurs on or after the First Reset Date, together in each case with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon) as provided in Condition 6 (*Redemption and Purchase*) of the Terms and Conditions of the Notes.

The redemption of the Notes of by the Issuer might negatively affect the market value of such Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to the First Reset Date. The Issuer may also be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. There can be no assurance that, at the relevant time, Noteholders will be able to reinvest the redemption proceeds at an effective interest rate as high as the return that would have been received on the Notes had they not been redeemed. Potential investors should consider reinvestment risk in light of other investment available at that time.

There are no events of default or cross default under the Notes

The Terms and Conditions of the Notes do not provide for events of default or cross default allowing acceleration of the Notes if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Notes, including the payment of any interest, investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to Noteholders and Couponholders for recovery of amounts owing in respect of any payment of principal or interest on the Notes will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

No limitation on issuing or guaranteeing debt ranking senior or pari passu with the Notes

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

Any decline in the credit ratings of the Issuer may affect the market value of the Notes and changes in rating methodologies may lead to the early redemption of the Notes

The Notes are expected to be assigned a rating by S&P and Moody's. The rating granted by each of S&P and Moody's or any other rating assigned to the Notes may not reflect the potential impact of all risks related to structure, market and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

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

If as a consequence of a change in the rating methodology of S&P or Moody's, the Notes are no longer eligible for the same or higher category of equity credit attributed to the Notes at the date of their issue, the Issuer may redeem all (but not some only) of the Notes as provided in Condition 6.5 (*Redemption and Purchase – Redemption following an Equity Credit Rating Event*) of the Terms and Conditions of the Notes.

Risk Relating to the Change in the Rate of Interest

Interest on the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

The Interest Rate in respect of the Notes will be reset as from their respective First Reset Date and on each Reset Date thereafter. Such Interest Rate will be determined two (2) Business Days before the First Reset Date and before each Reset Date thereafter and as such is not pre-defined at the date of issue of the Notes; it may be different from the initial Interest Rate and may adversely affect the yield of the Notes.

Following the First Reset Date, interest on the Notes shall be calculated on the basis of the mid swap rates for EUR swap transactions with a maturity of five years. These mid swap rates are not pre-defined for the lifespan of the Notes. Higher mid swap rates for EUR swap transactions mean a higher interest and lower mid swap rates for EUR swap transactions mean a lower interest.

In addition, due to the varying interest income on the Notes, potential investors are not able to determine a definite yield of the Notes at the time they purchase the Notes and accordingly their return on investment cannot be compared with that of investments having longer fixed interest periods.

Optional redemption, exchange or variation of the Notes for tax, accounting or rating agency reasons

There is a risk that, after the issue of the Notes, a Tax Deduction Event, a Gross-Up Event, a Withholding Tax Event, an Accounting Event or an Equity Credit Rating Event may occur which would entitle the Issuer, without the consent or approval of the Noteholders or the Couponholders, to exchange or vary the Notes, subject to not being prejudicial to the interest of the Noteholders and the Couponholders, so that after such exchange or variation, (i) in the case of an Accounting Event, they would be recorded as "equity" in full in the consolidated financial statements of the Issuer pursuant to IFRS, (ii) in the case of a Gross-Up Event, payments of principal and interest in respect of the Notes are not subject to deduction or withholding by reason of French law or published regulations, (iii) in the case of a Withholding Tax Event, payments of the full amounts of principal and interest in respect of the Notes are not prevented by French law, (iv) in the case of a Tax Deduction Event, payments of interest payable by the Issuer in respect of the Notes are deductible to the extent permitted by French law or (v) in the case of an Equity Credit Rating Event, the aggregate nominal amount of the Notes is assigned "equity credit" by the relevant Rating Agency that is equal to or greater than that which was assigned to the Notes on the Issue Date, or if such equity credit was not assigned on the Issue Date, at the date when the equity credit was assigned for the first time. Such exchange or variation is subject to compliance with certain conditions including not being materially prejudicial to the interests of the Noteholders or the Couponholders as described in Condition 6.8 (*Redemption and Purchase – Substitution and Variation*) of the Terms and Conditions of the Notes.

Alternatively, the Issuer reserves the right, under the same circumstances, to redeem the Notes early as further described in "*Early redemption risk*" above and in Condition 6 (*Redemption and Purchase*) of the Terms and Conditions of the Notes.

In such a case, an investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to reinvest at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

GENERAL DESCRIPTION OF THE NOTES

This overview is a general description of the Notes and is qualified in its entirety by the remainder of this Prospectus. For a more complete description of the Notes, including definitions of capitalised terms used but not defined in this section, please see “Terms and Conditions of the Notes”.

Issuer	Total S.A.
Securities	€1,750,000,000 Undated Non-Call 6 Year Deeply Subordinated Fixed Rate Resetable Notes (the “Notes”).
Maturity	Undated perpetual.
Form and Denomination	The Notes will be issued in bearer form in the denomination of €100,000 and integral multiples of €1,000 in excess thereof up to €199,000.
Issue Date	18 May 2016.
Status / Ranking	<p>The Notes (which constitute <i>obligations</i>) are deeply subordinated notes (“Deeply Subordinated Notes”) issued pursuant to the provisions of Article L.228-97 of the French <i>Code de commerce</i>. The obligations of the Issuer in respect of principal, interest and other amounts (including any Arrears of Interest) on the Notes and the related Coupons constitute direct, unconditional, unsecured and lowest ranking subordinated obligations (<i>titres subordonnés de dernier rang</i>) of the Issuer and rank and will rank <i>pari passu</i> among themselves and equally and rateably with all other present or future Parity Securities, but subordinated to the <i>prêts participatifs</i> granted to the Issuer, and Ordinary Subordinated Obligations and Unsubordinated Obligations of the Issuer. The Notes and the related Coupons shall rank in priority to any Junior Securities.</p> <p>“Junior Securities” means (a) the ordinary shares (<i>actions ordinaires</i>) of the Issuer and (b) any other class of the Issuer's share capital (including preference shares (<i>actions de préférence</i>)).</p> <p>“Ordinary Subordinated Obligations” means obligations, whether in the form of notes or otherwise, the principal, interest and other amounts due thereof constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank and will rank <i>pari passu</i> among themselves and <i>pari passu</i> with all other present or future Ordinary Subordinated Obligations, behind Unsubordinated Obligations but in priority to the <i>titres participatifs</i> issued by the Issuer and Deeply Subordinated Obligations.</p> <p>“Parity Securities” means (a) Deeply Subordinated Obligations and any other securities or other similar instruments issued by, or obligations of, the Issuer which rank, or are expressed to rank, <i>pari passu</i> with the Issuer's obligations under the Notes and (b) any securities or other similar instruments issued by a Subsidiary of the Issuer which have the benefit of a guarantee (or similar instrument from the Issuer), which rank or are expressed to rank <i>pari passu</i> with the Issuer's obligations under the Notes.</p> <p>“Unsubordinated Obligations” means obligations, whether in the form of notes or otherwise, the principal, interest and other amounts due thereof are unconditional, unsubordinated and unsecured obligations of the Issuer and rank and will rank <i>pari passu</i> without preference or priority among themselves and (save for certain obligations required to be preferred by French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.</p>

Interest

The Notes shall bear interest on their principal amount:

- (i) from, and including, the Issue Date to, but excluding, 18 May 2022 (the “**First Reset Date**”), at an interest rate *per annum* of 3.875 per cent., payable annually in arrear on 18 May of each year, commencing on 18 May 2017 and ending on the First Reset Date;
- (ii) from, and including, the First Reset Date to, but excluding, 18 May 2027 (the “**First Step-up Date**”), at an interest rate *per annum* which shall be equal to the sum of the Reference Rate of the relevant Reset Period and the Initial Margin, payable annually in arrear on 18 May of each year, commencing on 18 May 2023 and ending on the First Step-up Date;
- (iii) from, and including, the First Step-up Date to, but excluding, 18 May 2042 (the “**Second Step-up Date**”), at an interest rate *per annum* which will be subject to a reset every five years and shall be equal to the sum of the Reference Rate of the relevant Reset Period, the Initial Margin and the First Step-up Margin, payable annually in arrear on 18 May of each year, commencing on 18 May 2028 and ending on the Second Step-up Date; and
- (iv) from, and including, the Second Step-up Date, at an interest rate *per annum* which will be subject to a reset every five years and shall be equal to the sum of the Reference Rate of the relevant Reset Period, the Initial Margin and the Second Step-up Margin, payable annually in arrear on 18 May of each year, commencing on 18 May 2043;

where the Initial Margin shall be 3.783 per cent. *per annum*, the First Step-up Margin shall be 0.25 per cent. *per annum* and the Second Step-up Margin shall be 1.00 per cent. *per annum*;

“**Reference Rate**” means the Euro 5 Year Swap Rate.

“**Euro 5 Year Swap Rate**” means the euro mid-swap rate for a term of 5 years determined on the day falling two Business Days prior to the first day of the each Reset Rate Period.

Interest Deferral

Optional Interest Payment

Interest which accrues during an Interest Period on the Notes ending on but excluding an Interest Payment Date will be due on that Interest Payment Date unless the Issuer elects, at its sole discretion, to defer such payment in whole (but not in part) on the Notes, and the Issuer shall not have any obligation to make such payment and any failure to so pay shall not constitute a default by the Issuer under the Notes or for any other purpose.

Any interest in respect of the Notes which has been deferred on an Interest Payment Date shall constitute “**Arrears of Interest**” and shall be payable as described below.

Payment of Arrears of Interest

Arrears of Interest (together with any Additional Interest Amount (as defined below)) in respect of the Notes may at the option of the Issuer be paid in whole (but not in part) at any time, provided that all Arrears of Interest (together with the corresponding Additional Interest Amounts) in respect of all Notes for the time being outstanding shall become due and payable in full on whichever is the earliest of:

- (i) ten (10) Business Days following a Mandatory Arrears of Interest Settlement

Event;

- (ii) the next scheduled Interest Payment Date in respect of which the Issuer does not elect to defer interest accrued in respect of the relevant Interest Period;
- (iii) the date on which the Notes are redeemed; or
- (iv) the date upon which a judgment is made for the voluntary or judicial liquidation of the Issuer (*liquidation judiciaire* or *liquidation amiable*) or the sale of the whole of the business (*cession totale de l'entreprise*) of the Issuer subsequent to the opening of a judicial recovery (*redressement judiciaire*) or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency and where the resulting entity assumes the obligations of the Issuer under the Notes).

Each amount of Arrears of Interest shall bear interest as if it constituted the principal of the Notes at a rate which corresponds to the rate of interest from time to time applicable to the Notes (the “**Arrears Interest Rate**”) and the amount of such interest (the “**Additional Interest Amount**”) with respect to Arrears of Interest shall be due and payable pursuant to this paragraph and shall be calculated by the Calculation Agent applying the Arrears Interest Rate to the amount of the Arrears of Interest and otherwise *mutatis mutandis* as provided in the Conditions.

For the purpose hereof:

“**Junior Securities**” means (a) the ordinary shares (*actions ordinaires*) of the Issuer and (b) any other class of the Issuer’s share capital (including preference shares (*actions de préférence*)).

“**Mandatory Arrears of Interest Settlement Event**” means that:

- (a) a dividend (either interim or final), or any other distribution or payment (whether or not in cash) was validly resolved on, declared, paid or made in respect of any Junior Securities or Parity Securities, except where such dividend, distribution or payment was contractually required to be declared, paid or made under the terms of such Junior Securities or Parity Securities; or
- (b) the Issuer or any Subsidiary of the Issuer has repurchased, purchased, redeemed or otherwise acquired any Junior Securities, except where (x) such repurchase, purchase, redemption or acquisition was undertaken pursuant to any share buyback programme in force and duly approved by its shareholders’ general meeting in connection with the satisfaction by the Issuer or any Subsidiary of the Issuer of its respective obligations under any share option or stock option plan, officers and/or employees of the Issuer’s group or free share allocation plan or share capital increase reserved for directors, officers and/or employees of the Issuer’s group or any associated hedging transaction, (y) such repurchase, purchase, redemption or acquisition is contractually required to be made under the terms of such Junior Securities or (z) such repurchase, purchase, redemption or acquisition is made in connection with the satisfaction by the Issuer of its obligations under any existing or future liquidity agreement (*contrat de liquidité*) managed by an investment services provider to repurchase its share capital from such investment services provider; or
- (c) the Issuer or any Subsidiary of the Issuer has repurchased, purchased, redeemed or otherwise acquired any Parity Securities, except where (x) such repurchase, purchase, redemption or acquisition is contractually required to

be made under the terms of such Parity Securities or (y) such repurchase, purchase, redemption or acquisition is effected as a public tender offer or public exchange offer at a purchase price per security which is below its par value.

“**Subsidiary**” means any fully consolidated subsidiary (as defined in Article L.233-1 of the French *Code de commerce*) of the Issuer.

Taxation

All payments in respect of the Notes shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the French Republic or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law.

Additional Amounts

If applicable law should require that payments of principal or interest made by the Issuer in respect of any Note be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever levied by the Republic of France, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts (“**Additional Amounts**”) as shall result in receipt by the Noteholders and/or the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note in certain circumstances as more fully described in the Conditions.

Final Redemption

The Notes are undated securities with no specified maturity date.

Optional Redemption at the option of the Issuer

The Issuer will have the right to redeem all (but not some only) of the Notes on the First Reset Date or upon any Interest Payment Date thereafter. Such early redemption of the Notes will be made at their principal amount together with any accrued interest and Arrears of Interest (including any Additional Interest Amounts thereon).

Early Redemption following an Accounting Event, an Equity Credit Rating Event, a Gross-Up Event, a Substantial Repurchase Event, a Tax Deduction Event or a Withholding Tax Event

The Issuer may also, at its option, redeem the Notes at the Early Redemption Price upon the occurrence of an Accounting Event, an Equity Credit Rating Event, a Premium Substantial Repurchase Event, a Par Substantial Repurchase Event, a Tax Deduction Event or a Gross-Up Event affecting such Notes and shall redeem the Notes upon the occurrence of a Withholding Tax Event affecting the Notes.

Where:

“**Accounting Event**” means that a recognised accountancy firm, acting upon instructions of the Issuer, has delivered a letter or report to the Issuer, stating that as a result of a change in accounting principles or methodology (or the application thereof) since the Issue Date, the Notes may not or may no longer be recorded as “equity” in full in any of the consolidated financial statements of the Issuer pursuant to either IFRS-IASB or IFRS-EU or any other accounting standards that may replace IFRS-IASB and/or IFRS-EU for the purposes of preparing the annual, semi-annual or quarterly consolidated financial statements of the Issuer.

“**Early Redemption Date**” means the effective date of redemption of the Notes.

“**Early Redemption Price**” means (a) 101% of the principal amount of the Notes in the case where the redemption of such Notes occurs before the First Reset Date as a result of an Accounting Event, an Equity Credit Rating Event, a Tax Deduction Event or a Premium Substantial Repurchase Event and (b) 100% of the principal amount of the Notes (x) in the case of an Accounting Event, an Equity Credit Rating Event, a Tax Deduction Event or a Premium Substantial Repurchase Event where such redemption occurs after the First Reset Date or (y) in the case of a Par Substantial

Repurchase Event, a Gross-Up Event or a Withholding Tax Event, in each case together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon) up to the Early Redemption Date of the Notes.

“Equity Credit Rating Event” means that a Rating Agency which has assigned solicited ratings to the Issuer either directly or via publication by such Rating Agency has confirmed to the Issuer in writing that an amendment, clarification or change in the "equity credit" criteria of any such Rating Agency (or the application thereof) has occurred after the Issue Date, which amendment, clarification change or application, results in the Notes being assigned a level of equity credit that is lower than the level or equivalent level of equity credit assigned to the Notes by such Rating Agency on the Issue Date, or if such equity credit was not assigned on the Issue Date, at the date when the equity credit was assigned for the first time.

“Gross-Up Event” means that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment due in respect of the Notes, not be able to make such payment without having to pay Additional Amounts (as defined in Condition 8 (*Taxation*)).

“IFRS” means the International Financial Reporting Standards as issued by the International Accounting Standards Board (**“IFRS-IASB”**) and as adopted by the EU (**“IFRS-EU”**) and any other accounting standards that may replace IFRS-IASB and/or IFRS-EU for the purposes of preparing the annual, semi-annual or quarterly consolidated financial statements of the Issuer.

“Par Substantial Repurchase Event” means that, prior to the giving of the relevant notice of redemption, at least ninety per cent. (90%) of the aggregate principal amount of the Notes issued on the Issue Date and on the issue date of any further notes issued pursuant to Condition 13 (*Further Issues*) has been purchased by or on behalf of the Issuer or a Subsidiary of the Issuer and has been cancelled.

“Premium Substantial Repurchase Event” means that, prior to the giving of the relevant notice of redemption, at least seventy-five per cent. (75%) but less than ninety per cent. (90%) of the aggregate principal amount of the Notes issued on the Issue Date and on the issue date of any further notes issued pursuant to Condition 13 (*Further Issues*) has been purchased by or on behalf of the Issuer or a Subsidiary of the Issuer and has been cancelled.

“Substantial Repurchase Event” means a Par Substantial Repurchase Event and/or a Premium Substantial Repurchase Event.

“Tax Deduction Event” means that an opinion of a recognised law firm of international standing has been delivered to the Issuer, stating that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in the part of the interest payable by the Issuer in respect of such Notes that is tax-deductible being reduced.

“Withholding Tax Event” means that the Issuer would on the occasion of the next payment in respect of the Notes be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay Additional Amounts (as defined in Condition 8 (*Taxation*)).

Redemption for Taxation Reasons

If a Gross-Up Event shall occur after the Issue Date, the Issuer may at any time, subject to having given not more than forty (40) nor less than twenty (20) calendar

days' prior notice to the Noteholders and the Couponholders (which notice shall be irrevocable), redeem all (but not some only) of the Notes at the Early Redemption Price provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal and interest without having to pay additional amounts for French taxes

If a Withholding Tax Event shall occur after the Issue Date, then the Issuer shall forthwith give notice of such fact to the Paying Agents and the Issuer shall upon giving not less than seven (7) calendar days' prior notice to the Noteholders and the Couponholders redeem all (but not some only) of the Notes at the Early Redemption Price on the latest practicable date on which the Issuer could make payment of the full amount payable in respect of the Notes without withholding for French taxes, or, if such date is past, as soon as practicable thereafter.

If a Tax Deduction Event shall occur after the Issue Date, the Issuer may, at its option, at any time (subject to having given not more than forty (40) nor less than twenty (20) calendar days' notice to Noteholders and the Couponholders (which notice shall be irrevocable), redeem all (but not some only) of the Notes at the Early Redemption Price, provided that the effective date of redemption of which notice hereunder may be given shall be no earlier than the latest practicable date preceding the effective date on which the tax regime of interest payments under the Notes is modified.

**Redemption
following an
Accounting Event**

If an Accounting Event shall occur after the Issue Date, the Issuer may at its option redeem all (but not some only) the Notes at any time, subject to the Issuer having given the Noteholders and the Couponholders not less than twenty (20), or more than forty (40), Business Days' prior notice (which notice shall be irrevocable), at the Early Redemption Price; provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the last calendar day before the date on which the Notes may not or may no longer be recorded as "equity" in full pursuant to either IFRS-IASB or IFRS-EU or any other accounting standards that may replace IFRS-IASB and/or IFRS-EU for the purposes of any of the consolidated financial statements of the Issuer.

**Redemption
following an Equity
Credit Rating
Event**

If an Equity Credit Rating Event shall occur on or after the Issue Date, the Issuer may at its option redeem all (but not some only) the Notes at any time, subject to the Issuer having given the Noteholders and the Couponholders not less than twenty (20), or more than forty (40), Business Days' prior notice (which notice shall be irrevocable), at the Early Redemption Price, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the last calendar day before the date on which the Notes are assigned a level of equity credit that is lower than the level or equivalent level of equity credit assigned to the Notes by the relevant Rating Agency on the Issue Date, or if such equity credit was not assigned on the Issue Date, at the date when the equity credit was assigned for the first time.

For the purpose hereof:

"Rating Agency" means any of the following: Moody's Investors Service Limited ("**Moody's**") or Standard & Poor's Credit Market Services Limited ("**S&P**"), and any other rating agency of equivalent international standing solicited from time to time by the Issuer to grant a rating to the Issuer and/or the Notes and in each case, any of their respective successors to the rating business thereof. Each of Moody's and S&P is established in the European Union and registered under Regulation (EU) No. 1060/2009 on credit rating agencies as amended and is included in the list of

registered credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu/page/List-registered-and-certified-CRAs).

Redemption following a Substantial Repurchase Event

If a Substantial Repurchase Event shall occur after the Issue Date, the Issuer may at its option, at any time, redeem all (but not some only) of the outstanding Notes of the Notes at the relevant Early Redemption Price, subject to the Issuer having given the Noteholders and the Couponholders not less than twenty (20), or more than forty (40), Business Days' prior notice (which notice shall be irrevocable).

Substitution and Variation

If at any time on or after the Issue Date the Issuer determines that a Tax Deduction Event, a Gross-Up Event, a Withholding Tax Event, an Accounting Event or an Equity Credit Rating Event has occurred, the Issuer may, as an alternative to an early redemption of the Notes, on any applicable Interest Payment Date, without the consent of the Noteholders and the Couponholders, (a) exchange the Notes for new notes (the "**Exchanged Notes**"), or (b) vary the terms of the Notes (the "**Varied Notes**"), so that in either case (i) in the case of an Accounting Event, the aggregate nominal amount of the Exchanged Notes or Varied Notes (as the case may be) is recorded as "equity" in full in the annual, semi-annual or quarterly consolidated financial statements of the Issuer pursuant to IFRS, (ii) in the case of a Gross-Up Event, payments of principal and interest in respect of the Exchanged Notes or Varied Notes (as the case may be) are not subject to deduction or withholding by reason of French law or published regulations, (iii) in the case of a Withholding Tax Event, payments of the full amount then due and payable in respect of the Exchanged Notes or Varied Notes (as the case may be) are not prevented by French law, (iv) in the case of a Tax Deduction Event, payments of interest payable by the Issuer in respect of the Exchanged Notes or Varied Notes (as the case may be) are deductible to the extent permitted by the French law or (v) in the case of an Equity Credit Rating Event, the aggregate nominal amount of the Exchanged Notes or Varied Notes (as the case may be) is assigned "equity credit" by the relevant Rating Agency that is equal to or greater than that which was assigned to the Notes on the Issue Date, or if such equity credit was not assigned on the Issue Date, at the date when the equity credit was assigned for the first time.

Any such exchange or variation shall be subject to the following conditions:

- (a) the Issuer giving not less than thirty (30) nor more than forty five (45) calendar days' notice to the Noteholders and the Couponholders;
- (b) the Issuer complying with the rules of any stock exchange (or any other relevant authority) on which the Notes are for the time being admitted to trading, and (for so long as the rules of such exchange require) the publication of any appropriate supplement, listing particulars or offering circular in connection therewith, and the Exchanged Notes or Varied Notes continue to be admitted to trading on the same stock exchange as the Notes if they were admitted to trading immediately prior to the relevant exchange or variation;
- (c) the Issuer paying any Arrears of Interest (including any Additional Interest Amount thereon) in full prior to such exchange or variation;
- (d) the Exchanged Notes or Varied Notes shall maintain the same ranking in liquidation, the same interest rate and interest payment dates, the same First Reset Date and early redemption rights (provided that the relevant exchange or variation may not itself trigger any early redemption right), the same rights to accrued interest or Arrears of Interest (including any Additional Interest Amount thereon) and any other amounts payable under the Notes which, in each case, has accrued to Noteholders or Couponholders and has not been

paid, the same rights to principal and interest, and, if publicly rated by Moody's and/or S&P immediately prior to such exchange or variation, at least the same credit rating immediately after such exchange or variation by both Moody's and S&P if the Notes are publicly rated by both such rating agencies, or by the relevant such Rating Agency if the Notes are only rated by one such Rating Agency, as compared with the relevant rating(s) immediately prior to such exchange or variation (as determined by the Issuer using reasonable measures available to it including discussions with Moody's and/or S&P to the extent practicable) and shall not contain terms providing for the mandatory deferral of interest and do not contain terms providing for loss absorption through principal write-down or conversion to shares;

- (e) the terms of the exchange or variation not being prejudicial to the interests of the Noteholders and the Couponholders, including compliance with (d) above, as certified to the benefit of the Noteholders or the Couponholders by two directors of the Issuer, having consulted with an independent investment bank of international standing (for the avoidance of doubt the Paying Agents shall accept the certificates of the Issuer as sufficient evidence of the occurrence of a Gross-Up Event, a Withholding Tax Event, a Tax Deduction Event, an Accounting Event or an Equity Credit Rating Event and that such exchange or variation to the terms of the Notes are not prejudicial to the interest of the Noteholders or the Couponholders); and
- (f) the issue of legal opinions addressed to the Fiscal Agent for the benefit of the Noteholders and the Couponholders from one or more international law firms of good reputation confirming (x) that the Issuer has capacity to assume all rights and obligations under the Exchanged Notes or Varied Notes and has obtained all necessary corporate or governmental authorisation to assume all such rights and obligations and (y) the legality, validity and enforceability of the Exchanged Notes or Varied Notes.

Admission to trading	Application has been made for the Notes to be admitted to trading on Euronext Paris. Such admission to trading is expected to occur as of the Issue Date or as soon as practicable thereafter.
Selling Restrictions	There are restrictions on the offer and sale of the Notes and the distribution of offering material, including in the United States of America, the United Kingdom and France. See “ <i>Subscription and Sale</i> ” below.
Purchase	The Issuer may at any time purchase Notes together with rights to interest and any other amounts relating thereto in the open market or otherwise (including by way of tender or exchange offer) at any price subject to applicable laws and regulations. All Notes so purchased by, or for the account of the Issuer, may, at its sole discretion be held and resold or be cancelled, in accordance with applicable laws and regulations.
Negative Pledge	There will be no negative pledge in respect of the Notes.
Enforcement Events, no Events of Default and no Cross Default	There will be no events of default in respect of the Notes. There will be no cross default under the Notes. However, each Note shall become immediately due and payable at its principal amount, together with accrued interest thereon, if any, to the date of payment and any Arrears of Interest (including any Additional Interest Amounts thereon), in the event that a judgment is rendered by any competent court declaring the judicial liquidation (<i>liquidation judiciaire</i>) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (<i>cession totale de l'entreprise</i>) subsequent to the opening of a judicial recovery procedure (<i>redressement judiciaire</i>), or if the Issuer is liquidated for

any other reason. No payments will be made to holders of any class of the share capital of the Issuer before all amounts due, but unpaid, to all Noteholders and the Couponholders have been paid by the Issuer.

Governing law

The Notes will be governed by, and construed in accordance with, English law, except for the provisions of Condition 3 (*Status and Subordination of the Notes*) of the Terms and Conditions of the Notes relating to the status and subordination which will be governed by, and construed in accordance with, French law.

**Fiscal Agent,
Principal Paying
Agent and
Calculation Agent**

Citibank, N.A., London Branch.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the sections referred to in the table below included in the following documents which have been filed with the AMF and shall be deemed to be incorporated in, and to form part of, this Prospectus:

- (a) the sections referred to in the table below included in (i) the English language translation of the Registration Document 2015 for Total – filed in its original French language version under reference D.16-0145 on 16 March 2016 (the “**Total 2015 RD**”), containing the audited consolidated annual financial statements and audit report for the financial year ended 31 December 2015 of Total and (ii) the English language translation of the Registration Document 2014 for Total – filed in its original French language version under reference D.15-0205 (the “**Total 2014 RD**”) containing the audited consolidated annual financial statements and audit report for the financial year ended 31 December 2014 of Total;
- (b) the English-language press release dated 27 April 2016 containing the unaudited consolidated financial statements as at, and for the three-month period ended, 31 March 2016 of Total (the “**Total First Quarter 2016 Financial Report**”);
- (c) the Debt Issuance Programme Prospectus dated 29 April 2016 which received visa no. 16-157 from the AMF on 29 April 2016 (the “**Programme Prospectus**”); and

save that any statement contained in a document which is deemed to be incorporated by reference herein (including any document incorporated by reference therein) shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

All documents incorporated by reference in this Prospectus may be obtained, free of charge, at the offices of each Paying Agent set out at the end of this Prospectus during normal business hours and as long as any of the Notes are outstanding.

Copies of the documents incorporated by reference will be published on the website of Total (www.total.com).

Information contained in the Total 2015 RD, the Total 2014 RD and the Total First Quarter 2016 Financial Report incorporated by reference above other than the information listed in the table below is for information purposes only.

INFORMATION INCORPORATED BY REFERENCE IN RELATION TO TOTAL S.A. AND THE GROUP

INFORMATION INCORPORATED BY REFERENCE (PURSUANT TO ANNEX IX OF THE COMMISSION REGULATION (EC) NO 809/2004 DATED 29 APRIL 2004 AS AMENDED BY COMMISSION DELEGATED REGULATIONS (EU) 486/2012 DATED 30 MARCH 2012 AND 862/2012 DATED 4 JUNE 2012)		Page Reference(s) in the Total 2015 RD	Page Reference(s) in the Total 2014 RD	Page Reference(s) in the Total First Quarter Financial Report
2.	Statutory Auditors			
2.1	Names and addresses	103		
2.2	Change of situation of the auditors	Not Applicable		
3.	Risk Factors Prominent disclosure of risk factors that may affect the issuer’s ability to fulfil its obligations under the securities to investors in a section headed "Risk Factors".	59 to 78		

INFORMATION INCORPORATED BY REFERENCE (PURSUANT TO ANNEX IX OF THE COMMISSION REGULATION (EC) NO 809/2004 DATED 29 APRIL 2004 AS AMENDED BY COMMISSION DELEGATED REGULATIONS (EU) 486/2012 DATED 30 MARCH 2012 AND 862/2012 DATED 4 JUNE 2012)		Page Reference(s) in the Total 2015 RD	Page Reference(s) in the Total 2014 RD	Page Reference(s) in the Total First Quarter Financial Report
4.	Information about the Issuer			
4.1	<u>History and development of the Issuer:</u>	6 and 182		
4.1.1	the legal and commercial name of the issuer;	6 and 182		
4.1.2	the place of registration of the issuer and its registration number;	182		
4.1.3	the date of incorporation and the length of life of the issuer, except where indefinite;	182		
4.1.4	the domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business if different from its registered office);	6 and 182		
4.1.5	any recent events particular to the issuer which are to a material extent relevant to the evaluation of the issuer's solvency.	52 to 56		
5.	Business Overview			
5.1	<u>Principal activities:</u>	6 to 46		
5.1.1	A description of the issuer's principal activities stating the main categories of products sold and/or services performed; and	2 and 6 to 46		
5.1.2	The basis for any statements made by the issuer regarding its competitive position.	6 to 41		
6.	Organisational Structure			
6.1	If the issuer is part of a group, a brief description of the group and of the issuer's position within it.	47 to 49 and 288 to 289		
6.2	If the issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.	47 to 49 and 274 to 289		
7.	Trend Information			
7.1	Include a statement that there has been no material adverse change in the prospects of the issuer since the date of its last published audited financial statements. In the event that the issuer is unable to make such a statement, provide details of this material adverse change.	58		
8.	Profit Forecasts or Estimates	Not Applicable		
9.	Administrative, Management, and Supervisory Bodies			

INFORMATION INCORPORATED BY REFERENCE (PURSUANT TO ANNEX IX OF THE COMMISSION REGULATION (EC) NO 809/2004 DATED 29 APRIL 2004 AS AMENDED BY COMMISSION DELEGATED REGULATIONS (EU) 486/2012 DATED 30 MARCH 2012 AND 862/2012 DATED 4 JUNE 2012)		Page Reference(s) in the Total 2015 RD	Page Reference(s) in the Total 2014 RD	Page Reference(s) in the Total First Quarter Financial Report
9.1	Information concerning the administrative, management and supervisory bodies	80 to 88 and 101 to 102		
9.2	Conflicts of interest	86, 87 and 102		
10.	Major Shareholders			
10.1	Ownership and control	171 to 173 and 183 to 184		
10.2	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.	Not Applicable		
11.	Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses			
11.1	<u>Historical Financial Information</u> <i>Audited consolidated financial statements</i>			
	(a) balance sheet;	191	245	5
	(b) income statement;	189 and 190	243 and 244	3 and 4
	(c) cash flow statement; and	192	246	6
	(d) accounting policies and explanatory notes.	194 to 289	248 to 346	8 to 21
	Auditors' report	185 to 186, 188 and 189 to 192	238, 243 to 346	
11.2	<u>Financial statements</u> If the issuer prepares both own and consolidated financial statements, include at least the consolidated financial statements in the registration document.	189 to 193	243 to 346	
11.3	<u>Auditing of historical annual financial information</u>			
11.3.1	Statement of audit of the historical annual financial information	188	242	
11.3.2	Other audited information	Not Applicable	Not Applicable	
11.3.3	Unaudited data	Not Applicable	Not Applicable	
11.4	Age of latest financial information	185 to 186, 188 to 192 and 329	238, 242 to 346 and 370	2 to 21

INFORMATION INCORPORATED BY REFERENCE (PURSUANT TO ANNEX IX OF THE COMMISSION REGULATION (EC) NO 809/2004 DATED 29 APRIL 2004 AS AMENDED BY COMMISSION DELEGATED REGULATIONS (EU) 486/2012 DATED 30 MARCH 2012 AND 862/2012 DATED 4 JUNE 2012)		Page Reference(s) in the Total 2015 RD	Page Reference(s) in the Total 2014 RD	Page Reference(s) in the Total First Quarter Financial Report
11.5	Legal and arbitration proceedings	69 to 70		
11.6	Significant change in the Issuer's financial position	52 to 56		
12.	Material Contracts			
12.1	A brief summary of all material contracts that are not entered into in the ordinary course of the issuer's business, which could result in any group member being under an obligation or entitlement that is material to the issuer's ability to meet its obligations to security holders in respect of the securities being issued	Not Applicable		Not Applicable
13.	Third Party Information			
13.1	Statements by experts	Not Applicable	Not Applicable	Not Applicable
13.2	Statements by third parties	Not Applicable	Not Applicable	Not Applicable
14	Documents on Display			
14.1	Documents on Display	Not Applicable	Not Applicable	Not Applicable

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions (the “Conditions”) that shall be applicable (save for the Replacement Language provisions appearing at the end of these Conditions that are for information purposes only) to the Notes in definitive form (if any) issued in exchange for the Global Note representing the Notes. The full text of these Conditions shall be endorsed on such Notes.

The issue of the €1,750,000,000 Undated Non-Call 6 Year Deeply Subordinated Fixed Rate Resettable Notes (the “Notes” which expression shall, unless the context requires otherwise, include any further notes issued pursuant to Condition 13 (*Further Issues*)) of Total S.A. (the “Issuer”) on 18 May 2016 (the “Issue Date”) has been authorised by a resolution of the Board of Directors (*Conseil d’administration*) of the Issuer held on 10 February 2016 and a decision of the Chairman of the Board of Directors (*Président-Directeur Général du Conseil d’Administration*) of the Issuer dated 11 May 2016.

The Notes are issued as Tranche 1 of Series 111 under the Issuer’s €30,000,000,000 Euro Medium Term Note Programme (the “Programme”) pursuant to an Amended and Restated Agency Agreement dated 29 April 2016 (as further amended or supplemented as at the Issue Date, the “Agency Agreement”) between, *inter alia*, the Issuer, Citibank, N.A., London Branch as fiscal agent and as calculation agent and the other agents named in it and with the benefit of an amended and restated Deed of Covenant (as amended or supplemented as at the Issue Date, the “Deed of Covenant”) dated 29 April 2016 executed by the Issuer each in relation to the Programme. The fiscal agent, the paying agents and the calculation agent for the time being are referred to below respectively as the “Fiscal Agent”, the “Paying Agents” (which expression shall include the Fiscal Agent) and the “Calculation Agent”. The Noteholders (as defined below) and the holders of the interest coupons (the “Coupons”) relating to the Notes and talons for further Coupons (the “Talons”) (the “Couponholders”) are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents.

References to “Conditions” are, unless the context otherwise requires, to the numbered paragraphs below.

1 Definitions

“Accounting Event” means that a recognised accountancy firm, acting upon instructions of the Issuer, has delivered a letter or report to the Issuer, stating that as a result of a change in accounting principles or methodology (or the application thereof) since the Issue Date, the Notes may not or may no longer be recorded as “equity” in full in any of the consolidated financial statements of the Issuer pursuant to either IFRS-IASB or IFRS-EU or any other accounting standards that may replace IFRS-IASB and/or IFRS-EU for the purposes of preparing the annual, semi-annual or quarterly consolidated financial statements of the Issuer.

“Actual/Actual (ICMA)” means:

- (i) if interest is required to be calculated for a period that is equal to or shorter than the Interest Period to which it applies, the number of calendar days in the relevant period divided by the number of calendar days in the Interest Period in which the relevant period falls;
- (ii) if interest is required to be calculated for a period of more than one year, the sum of (a) the number of calendar days of the relevant period falling in the Interest Period in which it begins divided by the total number of calendar days in such Interest Period and (b) the number of calendar days of the relevant period falling in the next Interest Period divided by the total number of calendar days in such next Interest Period (including the first such day but excluding the last).

“Business Day” means any calendar day (other than a Saturday or a Sunday) which is a TARGET 2 Settlement Day.

“**Calculation Amount**” means EUR 1,000.

“**Day Count Fraction**” means Actual/Actual (ICMA).

“**Early Redemption Date**” means the effective date of redemption of the Notes made in accordance with Condition 6 (*Redemption and Purchase*).

“**Early Redemption Price**” means (a) 101% of the principal amount of the Notes in the case where the redemption of the Notes occurs before the First Reset Date as a result of an Accounting Event, an Equity Credit Rating Event, a Tax Deduction Event or a Premium Substantial Repurchase Event and (b) 100% of the principal amount of the Notes (x) in the case of an Accounting Event, an Equity Credit Rating Event, a Tax Deduction Event or a Premium Substantial Repurchase Event where such redemption occurs after the First Reset Date or (y) in the case of a Par Substantial Repurchase Event, a Gross-Up Event or a Withholding Tax Event, in each case together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon) up to the Early Redemption Date of the Notes.

“**Equity Credit Rating Event**” means that a Rating Agency which has assigned solicited ratings to the Issuer either directly or via publication by such Rating Agency has confirmed to the Issuer in writing that an amendment, clarification or change in the “equity credit” criteria of any such Rating Agency (or the application thereof) has occurred after the Issue Date, which amendment, clarification change or application, results in the Notes being assigned a level of equity credit that is lower than the level or equivalent level of equity credit assigned to the Notes by such Rating Agency on the Issue Date, or if such equity credit was not assigned on the Issue Date, at the date when the equity credit was assigned for the first time.

“**Euro 5 Year Swap Rate**” means the mid-swap rate in euros for a term of five (5) years as displayed on Reuters screen "ISDAFIX2" as at 11:00 a.m. (Central European time) (the “**Screen Page**”) on any day. In the event that the Euro 5 Year Swap Rate does not appear on the Screen Page on a Reset Interest Determination Date, the Euro 5 Year Swap Rate will be the Reference Bank Rate on such Reset Interest Determination Date.

“**Euro 5 Year Swap Rate Quotations**” means the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating euro interest rate swap which (i) has a term of five (5) years commencing on the first day of the relevant Reset Period, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the 6-month EURIBOR rate (calculated on an Actual/360 day count basis).

“**Gross-Up Event**” means that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment due in respect of the Notes, not be able to make such payment without having to pay Additional Amounts (as defined in Condition 8 (*Taxation*)).

“**IFRS**” means the International Financial Reporting Standards as issued by the International Accounting Standards Board (“**IFRS-IASB**”) and as adopted by the EU (“**IFRS-EU**”) or any other accounting standards that may replace IFRS-IASB and/or IFRS-EU for the purposes of preparing the annual, semi-annual or quarterly consolidated financial statements of the Issuer.

“**Interest Payment Date**” means 18 May of each year, commencing on 18 May 2017.

“**Interest Period**” means the period from, and including, the Issue Date to, but excluding, the first Interest Payment Date and thereafter each period beginning on, and including, an Interest Payment Date to, but excluding, the next Interest Payment Date.

“**Interest Rate**” means any of the First Interest Rate, Second Interest Rate, Third Interest Rate or Fourth Interest Rate (all as defined in Condition 5 (*Interest*)), as applicable.

“**Junior Securities**” means (a) the ordinary shares (*actions ordinaires*) of the Issuer and (b) any other class of the Issuer's share capital (including preference shares (*actions de préférence*)).

“**Mandatory Arrears of Interest Settlement Event**” means that:

- (i) a dividend (either interim or final), or any other distribution or payment (whether or not in cash) was validly resolved on, declared, paid or made in respect of any Junior Securities or Parity Securities, except where such dividend, distribution or payment was contractually required to be declared, paid or made under the terms of such Junior Securities or Parity Securities; or
- (ii) the Issuer or any Subsidiary of the Issuer has repurchased, purchased, redeemed or otherwise acquired any Junior Securities, except where (x) such repurchase, purchase, redemption or acquisition was undertaken pursuant to any share buyback programme in force and duly approved by its shareholders' general meeting in connection with the satisfaction by the Issuer or any Subsidiary of the Issuer of its respective obligations under any share option or stock option plan or free share allocation plan or share capital increase reserved for directors, officers and/or employees of the Issuer's group or any associated hedging transaction, (y) such repurchase, purchase, redemption or acquisition is contractually required to be made under the terms of such Junior Securities or (z) such repurchase, purchase, redemption or acquisition is made in connection with the satisfaction by the Issuer of its obligations under any existing or future liquidity agreement (*contrat de liquidité*) managed by an investment services provider to repurchase its share capital from such investment services provider; or
- (iii) the Issuer or any Subsidiary of the Issuer has repurchased, purchased, redeemed or otherwise acquired any Parity Securities, except where (x) such repurchase, purchase, redemption or acquisition is contractually required to be made under the terms of such Parity Securities or (y) such repurchase, purchase, redemption or acquisition is effected as a public tender offer or public exchange offer at a purchase price per security which is below its par value.

“**Ordinary Subordinated Obligations**” means obligations, whether in the form of notes or otherwise, which constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank and will rank or are expressed to rank *pari passu* among themselves and *pari passu* with all other present or future ordinary subordinated obligations, behind Unsubordinated Obligations but in priority to *prêts participatifs*, if any, granted to, and deeply subordinated obligations of, the Issuer.

“**Par Substantial Repurchase Event**” means that, prior to the giving of the relevant notice of redemption, at least ninety per cent. (90%) of the aggregate principal amount of the Notes issued on the Issue Date and on the issue date of any further notes issued pursuant to Condition 13 (*Further Issues*) has been purchased by or on behalf of the Issuer or a Subsidiary of the Issuer and has been cancelled.

“**Parity Securities**” means (i) any securities or other similar instruments issued by the Issuer which rank, or are expressed to rank, *pari passu* with the Issuer's obligations under the Notes (including, for the avoidance of doubt, the €2,500,000,000 Undated Non-Call 6 Year Deeply Subordinated Fixed Rate Resettable Notes and the €2,500,000,000 Undated Non-Call 10 Year Deeply Subordinated Fixed Rate Resettable Notes issued on 26 February 2015) and (ii) any securities or other similar instruments issued by a Subsidiary of the Issuer which have the benefit of a guarantee from the Issuer (or similar instrument from the Issuer), which rank or are expressed to rank *pari passu* with the Issuer's obligations under the Notes.

“**Premium Substantial Repurchase Event**” means that prior to the giving of the relevant notice of redemption, at least seventy-five per cent. (75%) but less than ninety per cent. (90%) of the aggregate principal amount of the Notes issued on the Issue Date and on the issue date of any further notes issued pursuant to Condition 13 (*Further Issues*) has been purchased by or on behalf of the Issuer or a Subsidiary of the Issuer and has been cancelled.

“**Rating Agency**” means any of the following: Moody’s Investors Service Limited (“**Moody’s**”) or Standard & Poor’s Credit Market Services Limited (“**S&P**”), and any other rating agency of equivalent international standing solicited from time to time by the Issuer to grant a rating to the Issuer and/or the Notes and in each case, any of their respective successors to the rating business thereof.

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

“**Reference Rate**” means the Euro 5 Year Swap Rate on the day falling two (2) Business Days prior to the first day of the relevant Reset Period (each a “**Reset Interest Determination Date**”).

“**Reset Date**” means the First Reset Date and every fifth (5th) Interest Payment Date thereafter.

“**Reset Period**” means each period from (and including) a Reset Date to (but excluding) (i) with respect to a Reset Period other than the last Reset Period, the next succeeding Reset Date, and (ii) with respect to the last Reset Period, the final redemption date of the Notes.

“**Subsidiary**” means in relation to a company (the “**Parent Company**”) at any time, any other company in which the Parent Company holds more than fifty (50) per cent. of the share capital (as provided in article L.233-1 of the *Code de Commerce*) or any other company which is controlled directly or indirectly by the Parent Company within the meaning of article L.233-3 of the *Code de Commerce*.

“**Substantial Repurchase Event**” means a Par Substantial Repurchase Event and/or a Premium Substantial Repurchase Event.

“**TARGET 2 Settlement Day**” means any calendar day on which the TARGET 2 System is operating.

“**TARGET 2 System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor thereto.

“**Tax Deduction Event**” means that an opinion of a recognised law firm of international standing has been delivered to the Issuer, stating that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in the part of the interest payable by the Issuer in respect of the Notes that is tax-deductible being reduced.

“**Unsubordinated Obligations**” means obligations, whether in the form of notes or otherwise, which constitute direct, unconditional and unsubordinated obligations of the Issuer and rank and will rank *pari passu* without preference or priority among themselves and (save for certain obligations required to be preferred by French law) *pari passu* with all other present or future unsubordinated obligations of the Issuer.

“**Withholding Tax Event**” means that the Issuer would on the occasion of the next payment in respect of the Notes be prevented by French law from making payment to the Noteholders or the

Couponholders of the full amount then due and payable, notwithstanding the undertaking to pay Additional Amounts (as defined in Condition 8 (*Taxation*)).

2 Form, Denomination and Title

The Notes are issued in bearer form in the denominations of €100,000 and integral multiples of €1,000 in excess thereof up to (and including) €199,000 and (for such Notes in definitive form) are serially numbered and are issued with Coupons (and a Talon) attached.

Title to the Notes, Coupons and Talons shall pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss, and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Note, “**holder**” (in relation to a Note, Coupon or Talon) means the bearer of any Note, Coupon or Talon, and capitalised terms have the meanings given to them hereon.

3 Status and Subordination of the Notes

3.1 Deeply Subordinated Notes

The Notes (which constitute *obligations*) are deeply subordinated notes (*titres subordonnés de dernier rang*) (“**Deeply Subordinated Notes**”) issued pursuant to the provisions of Article L.228-97 of the French *Code de commerce*. The obligations of the Issuer under the Notes and Coupons in respect of principal, interest and other amounts (including Arrears of Interest) constitute direct, unconditional, unsecured and lowest ranking subordinated obligations (*obligations dites “super subordonnées” i.e. engagements subordonnés de dernier rang*) (“**Deeply Subordinated Obligations**”) of the Issuer and rank and will rank *pari passu* among themselves and equally and rateably with all other present or future Parity Securities, but subordinated to the *prêts participatifs* granted to the Issuer, and Ordinary Subordinated Obligations and Unsubordinated Obligations of the Issuer. The Notes and Coupons shall rank in priority to any Junior Securities.

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

If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l’entreprise*) subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*), or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation, merger or other reorganisation outside the context of an insolvency and where the resulting entity assumes the obligations of the Issuer under the Notes), the payments of the creditors of the Issuer shall be made in the following order of priority (in each case subject to the payment in full of priority creditors):

- unsubordinated creditors of the Issuer (including holders of Unsubordinated Obligations);
- ordinary subordinated creditors of the Issuer (including holders of Ordinary Subordinated Obligations);
- lenders in relation to *prêts participatifs* granted to the Issuer; and
- deeply subordinated creditors of the Issuer (including holders of Deeply Subordinated Obligations).

For such purposes, the rights of the Noteholders and the Couponholders will be calculated on the basis of the principal amount of the Notes together with any accrued interest on such principal amount and any Arrears of Interest (including any Additional Interest Amount thereon).

In the event of liquidation of the Issuer, the Notes shall rank in priority to any payments to holders of Junior Securities.

In the event of incomplete payment of unsubordinated creditors and subordinated creditors ranking ahead of the claims of the holders of the Notes and/or the Coupons, the obligations of the Issuer in connection with any present or future Deeply Subordinated Obligations (including the Notes) shall be terminated.

4 Negative Pledge

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

5 Interest

5.1 General

Unless previously redeemed in accordance with Condition 6 (*Redemption and Purchase*) and subject to the further provisions of this Condition (in particular, but not limited to, Condition 5.5), the Notes shall bear interest on their principal amount:

- (a) from, and including, the Issue Date to, but excluding, 18 May 2022 (the “**First Reset Date**”), at an interest rate *per annum* of 3.875 per cent. (the “**First Interest Rate**”), payable annually in arrear on 18 May of each year, commencing on 18 May 2017 and ending on the First Reset Date;
- (b) from, and including, the First Reset Date to, but excluding, 18 May 2027 (the “**First Step-up Date**”), at an interest rate *per annum* which shall be equal to the sum of the Reference Rate of the relevant Reset Period and the Initial Margin (the “**Second Interest Rate**”), payable annually in arrear on 18 May of each year, commencing on 18 May 2023 and ending on the First Step-up Date;
- (c) from, and including, the First Step-up Date to, but excluding, 18 May 2042 (the “**Second Step-up Date**”), at an interest rate *per annum* which will be subject to a reset every five years and shall be equal to the sum of the Reference Rate of the relevant Reset Period, the Initial Margin and the First Step-up Margin (the “**Third Interest Rate**”), payable annually in arrear on 18 May of each year, commencing on 18 May 2028 and ending on the Second Step-up Date; and
- (d) from, and including, the Second Step-up Date, at an interest rate *per annum* which will be subject to a reset every five years and shall be equal to the sum of the Reference Rate of the relevant Reset Period, the Initial Margin and the Second Step-up Margin (the “**Fourth Interest Rate**”), payable annually in arrear on 18 May of each year, commencing on 18 May 2043;

where the Initial Margin shall be 3.783 per cent. *per annum*, the First Step-up Margin shall be 0.25 per cent. *per annum* and the Second Step-up Margin shall be 1.00 per cent. *per annum*;

Each Interest Amount (as defined below) shall be payable (subject as otherwise provided in these Conditions) annually in arrear on each Interest Payment Date.

Promptly after the determination of the Reference Rate, the Calculation Agent shall determine the Interest Rate for each Note and calculate the relevant Interest Amount.

The Calculation Agent will cause the Interest Rate and the relevant Interest Amount payable per Note to be notified to the Issuer and the Fiscal Agent and, if required by the rules of Euronext Paris or any other stock exchange on which Notes are listed from time to time, to such stock exchange, and to the Noteholders and the Couponholders in accordance with Condition 15 (*Notices*) without undue delay, but, in any case, not later than on the fourth Business Day after its determination.

5.2 Calculation of the Interest Amount

The amount of interest (the “**Interest Amount**”) payable per Calculation Amount on each Note and on each Interest Payment Date will be the product as calculated by the Calculation Agent of the Calculation Amount and the applicable Interest Rate, multiplied by the Day Count Fraction and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards). The Interest Amount payable per Calculation Amount on each Interest Payment Date falling on or before the First Reset Date, subject to the provisions of Condition 5.5 below, is €8.75.

5.3 Notifications, etc. to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5 (*Interest*), whether by the Reference Banks (or any of them) or the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, the Fiscal Agent and all Noteholders and Couponholders.

5.4 Calculation Agent

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

Notice of any change of Calculation Agent or any change of specified office shall promptly be given as soon as reasonably practicable to the Noteholders and the Couponholders in accordance with Condition 15 (*Notices*) and, so long as the Notes are admitted to trading on Euronext Paris and if the rules applicable to such stock exchange so require, to such stock exchange.

5.5 Optional Interest Deferral

Interest payments shall only be due and payable if the Issuer so elects, in accordance with the provisions of the following paragraphs.

(a) *Optional Interest Payment*

The Issuer may, at any time and at its sole discretion, elect to defer all of the payment of interest accrued on the Notes in respect of any Interest Period by giving notice of such election to the Noteholders and the Couponholders. If the Issuer makes such an election, the Issuer shall have no obligation to make such payment and any such non-payment of interest shall not constitute a default of the Issuer or any other breach of obligations under the Notes.

Any interest in respect of the Notes which has not been paid in accordance with this paragraph will be deferred and shall constitute “**Arrears of Interest**” and shall be payable as provided below.

(b) *Payment of Arrears of Interest*

Arrears of Interest (together with any Additional Interest Amount (as defined below)) may at the option of the Issuer be paid in whole (but not in part) at any time, provided that all Arrears of Interest (together with the corresponding Additional Interest Amounts) in respect of all Notes for the time being outstanding shall become due and payable in full on the date (the “**Mandatory Settlement Date**”) which is the earliest of:

- (i) ten (10) Business Days following a Mandatory Arrears of Interest Settlement Event;

- (ii) the next scheduled Interest Payment Date in respect of which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period;
- (iii) the date on which the Notes are redeemed; or
- (iv) the date upon which a judgment is made for the voluntary or judicial liquidation of the Issuer (*liquidation judiciaire* or *liquidation amiable*) as contemplated under Condition 9 (*Enforcement Events, no Events of Default and no Cross Default*) or the sale of the whole of the business (*cession totale de l'entreprise*) of the Issuer subsequent to the opening of a judicial recovery (*redressement judiciaire*) or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency and where the resulting entity assumes the obligations of the Issuer under the Notes).

Each amount of Arrears of Interest shall bear interest as if it constituted the principal of the Notes at a rate which corresponds to the rate of interest from time to time applicable to the Notes (the “**Arrears Interest Rate**”) and the amount of such interest (the “**Additional Interest Amount**”) with respect to Arrears of Interest shall be due and payable pursuant to this paragraph (b) and shall be calculated by the Calculation Agent applying the Arrears Interest Rate to the amount of the Arrears of Interest and otherwise *mutatis mutandis* as provided in the foregoing provisions of this Condition.

(c) *Notice of Deferral and Payment of Arrears of Interests*

Notice of (i) deferral of any interest under the Notes on any Interest Payment Date and (ii) any date upon which amounts in respect of Arrears of Interest and/or Additional Interest Amounts shall become due and payable shall be given to the Noteholders and the Couponholders in accordance with Condition 15 (*Notices*), and the Fiscal Agent and the Calculation Agent at least five (5) Business Days in Paris and in London, but no more than thirty (30) Business Days in Paris and in London, prior to such Interest Payment Date or date. So long as the Notes are admitted to trading on Euronext Paris and the rules applicable to such stock exchange so require, notice of any such deferral shall also be given as soon as reasonably practicable to such stock exchange.

6 Redemption and Purchase

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

6.1 Final Redemption

Subject to any early redemption described below, the Notes are undated securities with no specified maturity date.

6.2 Optional Redemption

The Issuer will have the right to redeem all (but not some only) of the Notes on the First Reset Date or upon any Interest Payment Date thereafter subject to having given not more than forty (40) nor less than twenty (20) calendar days’ prior notice to the Noteholders and the Couponholders (which notice shall be irrevocable) in accordance with Condition 15 (*Notices*). Such early redemption of the Notes will be made at their principal amount together with any accrued interest and Arrears of Interest (including any Additional Interest Amounts thereon).

6.3 Redemption for Taxation Reasons

- (i) If a Gross-Up Event shall occur after the Issue Date, the Issuer may at any time, subject to having given not more than forty (40) nor less than twenty (20) calendar days’ prior notice to the Noteholders and the Couponholders (which notice shall be irrevocable), in accordance with Condition 15 (*Notices*) below, redeem all (but not some only) of the Notes at their principal amount together with any accrued interest and any Arrears of Interest (including

any Additional Interest Amounts thereon) provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal and interest without withholding for French taxes.

- (ii) If a Withholding Tax Event shall occur after the Issue Date, then the Issuer shall forthwith give notice of such event to the Fiscal Agent and the Issuer shall, subject to the Issuer's option under Condition 6.7 (*Substitution and Variation*), upon giving not less than seven (7) calendar days' prior notice to the Noteholders and the Couponholders in accordance with Condition 15 (*Notices*) redeem all (but not some only) of the Notes at their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon) on the latest practicable date on which the Issuer could make payment of the full amount payable in respect of the Notes without withholding for French taxes, or, if such date is past, as soon as practicable thereafter.
- (iii) If a Tax Deduction Event shall occur after the Issue Date, the Issuer may, at its option, at any time (subject to having given not more than forty (40) nor less than twenty (20) calendar days' notice to the Noteholders and the Couponholders (which notice shall be irrevocable) in accordance with Condition 15 (*Notices*) below, redeem all (but not some only) of the Notes at the Early Redemption Price, provided that the effective date of redemption of which notice hereunder may be given shall be no earlier than the latest practicable date preceding the effective date on which the tax regime of interest payments under the Notes is modified.

6.4 Redemption following an Accounting Event

If an Accounting Event shall occur after the Issue Date, the Issuer may at its option redeem all (but not some only) the Notes at any time, subject to the Issuer having given the Noteholders and the Couponholders not less than twenty (20), or more than forty (40), Business Days' prior notice (which notice shall be irrevocable) in accordance with Condition 15 (*Notices*) below, at the Early Redemption Price; provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the last day before the date on which the proceeds of the Notes may not or may no longer be recorded as "equity" pursuant to either IFRS-IASB or IFRS-EU or any other accounting standards that may replace IFRS-IASB and/or IFRS-EU for the purposes of any of the consolidated financial statements of the Issuer.

6.5 Redemption following an Equity Credit Rating Event

If an Equity Credit Rating Event shall occur on or after the Issue Date, the Issuer may at its option redeem all (but not some only) the Notes at any time, subject to the Issuer having given the Noteholders and the Couponholders not less than twenty (20), or more than forty (40), Business Days' prior notice (which notice shall be irrevocable) in accordance with Condition 15 (*Notices*) below, at the Early Redemption Price provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the last calendar day before the date on which the Notes are assigned a level of equity credit that is lower than the level or equivalent level of equity credit assigned to the Notes by the relevant Rating Agency on the Issue Date, or if such equity credit was not assigned on the Issue Date, at the date when the equity credit was assigned for the first time.

6.6 Redemption following a Substantial Repurchase Event

If a Substantial Repurchase Event shall occur after the Issue Date, the Issuer may at its option, at any time, redeem all (but not some only) of the outstanding Notes at the Early Redemption Price, subject to the Issuer having given the Noteholders and the Couponholders not less than twenty (20), or more than forty (40), Business Days' prior notice (which notice shall be irrevocable) in accordance with Condition 15 (*Notices*).

6.7 Substitution and Variation

If at any time after the Issue Date the Issuer determines that a Tax Deduction Event, a Gross-Up Event, a Withholding Tax Event, an Accounting Event or an Equity Credit Rating Event has occurred, the Issuer may, as an alternative to an early redemption of the Notes, on any applicable Interest Payment Date, without the consent of the Noteholders and the Couponholders, (i) exchange the Notes for new notes (the “**Exchanged Notes**”), or (ii) vary the terms of the Notes (the “**Varied Notes**”), so that in either case (A) in the case of an Accounting Event, the aggregate nominal amount of the Exchanged Notes or Varied Notes (as the case may be) is recorded as “equity” in full in the consolidated financial statements of the Issuer pursuant to IFRS, (B) in the case of a Gross-Up Event, payments of principal and interest in respect of the Exchanged Notes or Varied Notes (as the case may be) are not subject to deduction or withholding by reason of French law or published regulations, (C) in the case of a Withholding Tax Event, payments of the full amount then due and payable in respect of the Exchanged Notes or Varied Notes (as the case may be) are not prevented by French law, (D) in the case of a Tax Deduction Event, payments of interest payable by the Issuer in respect of the Exchanged Notes or Varied Notes (as the case may be) are deductible to the extent permitted by the French law or (E) in the case of an Equity Credit Rating Event, the aggregate nominal amount of the Exchanged Notes or Varied Notes (as the case may be) is assigned “equity credit” (or such other nomenclature that the relevant Rating Agency may then use to describe the degree to which an investment exhibits the characteristics of an ordinary share) by the relevant Rating Agency that is equal to or greater than that which was assigned to the Notes on the Issue Date, or if such equity credit was not assigned on the Issue Date, at the date when the equity credit was assigned for the first time.

Any such exchange or variation shall be subject to the following conditions:

- (i) the Issuer giving not less than thirty (30) nor more than forty five (45) calendar days’ notice to the Noteholders and the Couponholders in accordance with Condition 15 (*Notices*);
- (ii) the Issuer complying with the rules of any stock exchange (or any other relevant authority) on which the Notes are for the time being admitted to trading, and (for so long as the rules of such exchange require) the publication of any appropriate supplement, listing particulars or offering circular in connection therewith, and the Exchanged Notes or Varied Notes continue to be admitted to trading on the same stock exchange as the Notes if they were admitted to trading immediately prior to the relevant exchange or variation;
- (iii) the Issuer paying any Arrears of Interest (including any Additional Interest Amount thereon) in full prior to such exchange or variation;
- (iv) the Exchanged Notes or Varied Notes shall maintain the same ranking in liquidation, the same interest rate and interest payment dates, the same First Reset Date and early redemption rights (provided that the relevant exchange or variation may not itself trigger any early redemption right), the same rights to accrued interest or Arrears of Interest (including any Additional Interest Amount thereon) and any other amounts payable under the Notes which, in each case, has accrued to Noteholders or Couponholders and has not been paid, the same rights to principal and interest, and, if publicly rated by Moody's and/or S&P immediately prior to such exchange or variation, at least the same credit rating immediately after such exchange or variation by both Moody's and S&P if the Notes are publicly rated by both such rating agencies, or by the relevant such Rating Agency if the Notes are only rated by one such Rating Agency, as compared with the relevant rating(s) immediately prior to such exchange or variation (as determined by the Issuer using reasonable measures available to it including discussions with Moody's and/or S&P to the extent practicable) and shall not contain terms providing for the mandatory deferral of interest and do not contain terms providing for loss absorption through principal write-down or conversion to shares;
- (v) the terms of the exchange or variation not being prejudicial to the interests of the Noteholders and Couponholders, including compliance with (iv) above, as certified to the benefit of the

Noteholders and/or the Couponholders by two directors of the Issuer, having consulted with an independent investment bank of international standing (for the avoidance of doubt the Paying Agents shall accept the certificates of the Issuer as sufficient evidence of the occurrence of a Gross-Up Event, a Withholding Tax Event, a Tax Deduction Event, an Accounting Event or an Equity Credit Rating Event and that such exchange or variation to the terms of the Notes are not prejudicial to the interest of the Noteholders or the Couponholders); and

- (vi) the issue of legal opinions addressed to the Fiscal Agent for the benefit of the Noteholders and the Couponholders from one or more international law firms of good reputation confirming (x) that the Issuer has capacity to assume all rights and obligations under the Exchanged Notes or Varied Notes and has obtained all necessary corporate or governmental authorisation to assume all such rights and obligations and (y) the legality, validity and enforceability of the Exchanged Notes or Varied Notes.

6.8 Purchases

The Issuer may at any time purchase Notes (provided that all unmatured Coupons, and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise (including by way of tender or exchange offers) at any price in accordance with applicable laws and regulations. All Notes purchased by, or for the account of, the Issuer may, at its sole discretion, be held and resold in accordance with applicable laws and regulations.

6.9 Cancellation

All Notes which are purchased for cancellation by the Issuer pursuant to this Condition 6 (*Redemption and Purchase*) will forthwith be cancelled (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith) in accordance with applicable laws and regulations. Any Notes so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7 Payments and Exchange of Talons

7.1 Method of Payment

Subject as provided below, payments of principal and interest (including, for the avoidance of doubt, any Arrears of Interest and Additional Interest Amounts) in respect of the Notes will be made in euro by credit or transfer to a euro denominated account (or any other account to which euros may be credited or transferred) specified by the payee.

All payments are subject in all cases to any applicable fiscal or other laws, regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*).

7.2 Presentation of Notes and Coupons

Payments of principal in respect of the Notes will (subject as provided below) be made in the manner provided in Condition 7.1 (*Method of Payment*) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Notes, and payments of interest (if any) in respect of the Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

If the due date for redemption of any is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Issue Date shall be payable only against surrender of the Note.

No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

7.3 Payments on Business Days

If any due date for payment in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place of presentation nor to any interest or other sum in respect of such postponed payment.

For these purposes, “**Payment Day**” means any day which is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation; and
- (ii) a Business Day.

7.4 Fiscal Agent, Paying Agent and Calculation Agent

The names of the initial Agents and their specified offices are set out below:

Fiscal Agent, Principal Paying Agent and Calculation Agent

Citibank, N.A., London Branch

Citigroup Centre
Canada Square
London E14 5LB
United Kingdom

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, Principal Paying Agent or Paying Agent or the Calculation Agent and/or appoint additional or other Paying Agents or approve any change in the office through which any such Agent acts, provided that there will at all times be (i) a Fiscal Agent, a Principal Paying Agent and a Calculation Agent having a specified office in a European city and (ii) a Paying Agent having a specified office in such city as shall be required by the rules of any exchange on which the Notes are listed from time to time. Notice of any such change or any change of specified office shall promptly be given as soon as reasonably practicable to the Noteholders or another Calculation Agent in accordance with Condition 15 (*Notices*) and, so long as the Notes are admitted to trading on Euronext Paris and if the rules applicable to such stock exchange so require, to such stock exchange.

7.5 Unmatured Coupons and Unexchanged Talons

- (i) Upon the due date for redemption of any Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (ii) Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iii) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of such Note.

7.6 Exchange of Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and, if necessary,

another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 12 (*Prescription*)).

8 Taxation

All payments in respect of the Notes shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the French Republic or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law.

If applicable law should require that payments of principal or interest made by the Issuer in respect of any Note be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever levied by the Republic of France, the Issuer, will, to the fullest extent then permitted by law, pay such additional amounts (“**Additional Amounts**”) as shall result in receipt by the Noteholders and/or the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note or Coupon, as the case may be:

- (i) **Other connection:** to, or to a third party on behalf of, a Noteholder or the Couponholders who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Republic of France other than the mere holding of the Note or Coupon; or
- (ii) **Presentation more than thirty (30) calendar days after the Relevant Date:** presented for payment more than thirty (30) calendar days after the Relevant Date except to the extent that the holder thereof would have been entitled to such Additional Amounts on presenting it for payment on the thirtieth such day.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, the Early Redemption Price and all other amounts in the nature of principal payable pursuant to Condition 6 (*Redemption and Purchase*) or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts (including, for the avoidance of doubt, if any, all Arrears of Interest and all Additional Interest Amount) payable pursuant to Condition 6 (*Redemption and Purchase*) or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any Additional Amounts that may be payable under this Condition.

9 Enforcement Events, no Events of Default and no Cross Default

There are no events of default in respect of the Notes. There is no cross default under the Notes.

However, each Note shall become immediately due and payable at its principal amount, together with accrued interest thereon, if any, to the date of payment and any Arrears of Interest (including any Additional Interest Amounts thereon), in the event that a judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery (*redressement judiciaire*) procedure, or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency and where the resulting entity assumes the obligations of the Issuer under the Notes). No payments will be made to holders of Junior Securities of the Issuer before all amounts due, but unpaid, to all Noteholders and/or Couponholders have been paid by the Issuer.

10 Meeting of Noteholders and Modifications

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) to vary any method of, or basis for, calculating the Early Redemption Price, (v) to vary the currency or currencies of payment or denomination of the Notes, or (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

(b) Modification of Agency Agreement

The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders and/or the Couponholders.

11 Replacement of Notes, Coupons and Talons

If a Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent or such other Paying Agent as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to the Noteholders and the Couponholders in accordance with Condition 15 (*Notices*), in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

12 Prescription

Claims against the Issuer for the payment in respect of the Notes and Coupons shall be prescribed and become void within 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date.

13 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in the conditions of such notes to “Issue Date” shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single Series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

14 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

15 Notices

Any notices to Noteholders will be valid if published in a daily newspaper with general circulation in France (which is expected to be *Les Echos*) and so long as the Notes are admitted to trading on Euronext Paris, in accordance with the rules of such Stock Exchange from time to time. Any such notice shall be deemed to have been given on the date of such publication or delivery in the relevant place or, if published or delivered more than once or on different dates, on the date of the first publication or delivery as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition.

16 Governing Law and Jurisdiction

(a) Governing Law

The Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, English law other than the provisions of Condition 3 (*Status and Subordination of the Notes*) which are governed by, and shall be construed in accordance with, French law.

(b) Jurisdiction

The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Coupons or Talons (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Service of Process

The Issuer irrevocably appoints Total Finance Corporate Services Limited of 10 Upper Bank Street, Canary Wharf, London E14 5BF as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 15 (*Notices*). Nothing shall affect the right to serve process in any manner permitted by law.

Replacement Language

Restrictions regarding the Redemption and Repurchase of the Notes

The following paragraphs in italics do not form part of the Conditions.

The Issuer intends (without thereby assuming a legal or contractual obligation) that it will redeem or repurchase the Notes only to the extent they are replaced with instruments with equivalent S&P equity credit. Such replacement would be provided during the 360-day period prior to the date of such redemption or repurchase. The net proceeds received by the Issuer or a Subsidiary of the Issuer from the sale to third party purchasers of securities which are assigned an S&P "equity credit" (or such similar nomenclature used by S&P from time to time) that is at least equal to the equity credit assigned to the Notes by S&P, at the time of sale or issuance of such securities (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issuance of the Notes), will count as replacement.

The following exceptions apply as to the Issuer's replacement intention. The Notes are not required to be replaced:

- (a) if the rating assigned by S&P to the Issuer is at least A+ and the Issuer is comfortable that such rating would not fall below this level as a result of such redemption or repurchase, or*
- (b) in the case of repurchase of less than (x) 10 per cent. of the aggregate principal amount of the Notes originally issued in any period of 12 consecutive months or (y) 25 per cent. of the aggregate principal amount of the Notes originally issued in any period of 10 consecutive years is repurchased, or*
- (c) if the Notes are redeemed pursuant to an Accounting Event, Equity Credit Rating Event (to the extent it is triggered by a change of methodology at S&P), a Tax Deduction Event, a Withholding Tax Event, a Gross-Up Event or a Substantial Repurchase Event, or*
- (d) if the Notes are not assigned an "equity credit" (or such similar nomenclature then used by S&P at the time of such redemption or repurchase),*
- (e) in the case of any repurchase, up to the maximum amount of Notes repurchased that would allow the Issuer's aggregate principal amount of hybrid capital remaining outstanding after such repurchase to be equal to or greater than the maximum aggregate principal amount of hybrid capital to which S&P would assign "equity credit" (or such similar nomenclature then used by S&P at the time of such repurchase); or*
- (f) if such redemption or repurchase occurs on or after 18 May 2042.*

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used by the Issuer for its general corporate purposes.

PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

The Notes will be represented on issue by a Temporary Global Note exchangeable for interests in a Permanent Global Note each of which shall be issued in CGN form.

See the description set out in the section entitled “Summary of Provisions relating to the Notes while in Global Form” on page 99 of the Programme Prospectus which is incorporated by reference in this Prospectus for a description of the exchange of such interests and provisions which will apply to, and modify certain of the terms and conditions of, the Notes while held in global form.

For the purposes of the Notes, reference in:

- (i) the paragraph entitled “Amendment to the Conditions – Payments” in the section entitled “Summary of the Provisions relating to the Notes while in Global Form” on page 101 of the Programme Prospectus to Condition 6(g) shall be deemed to be references to Condition of the Terms and Condition 7.3 of the Notes as set out in this Prospectus; and
- (ii) the paragraph entitled “Amendment to the Conditions – Prescription” in the section entitled “Summary of the Provisions relating to the Notes while in Global Form” on page 101 of the Programme Prospectus to Condition 7 shall be deemed to be a reference to Condition 8 of the Terms and Conditions of the Notes as set out in this Prospectus.

TAXATION

The following is a general description of certain French and European Union tax considerations relating to the Notes that may be relevant to Noteholders and Couponholders who do not concurrently hold shares of the Issuer. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in France or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the current legislation, published case law and other published guidelines and regulations as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date (potentially with retroactive effect). This description is for general information only and does not purport to be comprehensive.

France

Withholding tax

Payments of interest and other revenues made by the Issuer with respect to Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a “**Non-Cooperative State**”). If such payments under the Notes are made in a Non-Cooperative State, a 75 per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*. The 75 per cent. withholding tax is applicable irrespective of the tax residence of the Noteholder or Couponholder. A list of Non-Cooperative states is published by a ministerial executive order, which is updated on an annual basis.

Furthermore, according to Article 238 A of the French *Code général des impôts* interest and other revenues on such Notes are not to be deductible from the Issuer's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution located in such a Non-Cooperative State (the “**Deductibility Exclusion**”). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at a rate of 30 per cent. or 75 per cent. subject to the more favourable provisions of a tax treaty, if applicable.

Notwithstanding the foregoing, neither the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor, to the extent the relevant interest or other revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion (and the withholding tax set out in article 119 *bis* 2 of the French *Code général des impôts* that may be levied as a result of such Deductibility Exclusion) will apply in respect of the Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the “**Exception**”).

In addition, pursuant to the French tax administrative guidelines (BOI-INT-DG-20-50-20140211, n°550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211, n°70 and BOI-IR-DOMIC-10-20-20-60-20150320), an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are, *inter alia*,:

- (i) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

- (i) admitted, at the time of their issue, to the clearing operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

Accordingly, payments of interest and other revenues under the Notes by the Issuer are not subject to the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor to the Deductibility Exclusion.

Pursuant to Article 125A of the French *Code général des impôts* subject to certain limited exceptions, interest and similar income received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 24 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding tax at an aggregate rate of 15.5 per cent. on interest and similar income paid to such French tax domiciled individuals.

SUBSCRIPTION AND SALE

Subscription Agreement

Barclays Bank PLC, Citigroup Global Markets Limited, BNP Paribas, Banca IMI S.p.A. and UniCredit Bank AG (the “**Joint Bookrunners**”) have, pursuant to a subscription agreement dated 13 May 2016 (the “**Subscription Agreement**”), jointly and severally agreed with the Issuer, subject to the satisfaction of certain conditions, to procure subscribers for, failing which to subscribe for the Notes of each Series at an issue price equal to 100.00 per cent. of the principal amount of the Notes less any applicable commissions.

In addition, the Issuer will pay certain costs incurred by it and the Joint Bookrunners in connection with the issue of the Notes. The Joint Bookrunners are entitled to terminate the Subscription Agreement in certain circumstances prior to the issue of the Notes. The Issuer has agreed to indemnify the Joint Bookrunners against certain liabilities in connection with the offer and sale of the Notes.

Selling Restrictions

United States

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

Each Joint Bookrunner has represented and agreed that, except as permitted by the Subscription Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Notes (i) as part of its distribution at any time or (ii) otherwise until 40 calendar days after the later of the commencement of the offering and the issue date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Notes, being in bearer form, are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

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

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

United Kingdom

Each Joint Bookrunner has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (“**FSMA**”)) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

France

Each of the Joint Bookrunners has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Prospectus or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*), other than individuals, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

The Republic of Italy

Each of the Joint Bookrunners has represented and agreed that it has offered, sold or delivered, and will offer, sell or deliver any Notes, this Prospectus or any other document relating to the Notes in the Republic of Italy (“**Italy**”) only to qualified investors (*investitori qualificati*), as defined under Article 100 of the Legislative Decree No. 58 of 24 February, 1998, as amended (the “**Italian Financial Act**”), as implemented by Article 26, paragraph 1(d) of CONSOB Regulation No. 16190 of 29 October 2007, as amended (“**Regulation No. 16190**”), pursuant to Article 34-ter, first paragraph, letter b), of CONSOB Regulation No. 11971 of 14 May 1999, as amended (“**Regulation No. 11971**”).

Any such offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in Italy must be in compliance with the selling restriction above and:

- (i) made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the relevant provisions of the Italian Financial Act, Regulations No. 16190, Legislative Decree No. 385 of 1 September 1993 as amended (the “**Banking Act**”) and any other applicable laws or regulation;
- (ii) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and
- (iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or the Bank of Italy or any other Italian authority.

General

No action has been taken in any jurisdiction that would permit an offer to the public of any of the Notes, or possession or distribution of this Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required.

Each of the Joint Bookrunner has agreed that it will, to the best of its knowledge and belief, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Prospectus or any other offering material.

GENERAL INFORMATION

1. **AMF Visa and admission to trading of the Notes**

Application has been made to the AMF to approve this document as a prospectus and this Prospectus has received visa no. 16-177 from the AMF on 13 May 2016. Application has also been made to admit the Notes to trading on Euronext Paris as of 18 May 2016. The Issuer estimates that the amount of expenses related to such admission to trading of the Notes will be approximately €17,500 (VAT excluded).

2. **Consents, Approvals and Authorisations in connection with the Programme**

Total has obtained all necessary consents, approvals and authorisations in France in connection with the issuance of the Notes.

The issue of the Notes was decided on 11 May 2016 by the *Président-Directeur Général du Conseil d'Administration*, acting pursuant to a resolution of the *Conseil d'Administration* of the Issuer dated 10 February 2016.

3. **No Material Adverse Change**

Except as disclosed in the Total 2015 RD and the Total First Quarter 2016 Financial Report incorporated by reference in this Prospectus, there has been no material adverse change in the prospects of Total on a consolidated basis since its last published audited financial statements, being 31 December 2015.

4. **Significant change in the Issuer's financial trading position**

Except as disclosed in the Total 2015 RD and the Total First Quarter 2016 Financial Report incorporated by reference in this Prospectus, there has been no significant change in the financial or trading position of Total on a consolidated basis since the end of the last financial period for which financial information has been published, being 31 March 2016.

5. **Litigation**

Neither Total nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Total is aware) during the 12 months preceding the date of this Prospectus which may have or have had in the recent past significant effects on the financial position or profitability of the Group.

6. **Limitations under United States income tax laws**

Each Note, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(Q) and 1287(a) of the Internal Revenue Code".

7. **Clearing systems**

The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems and (where applicable) Euroclear France (which are the entities in charge of keeping the records). The Common Code and the International Securities Identification Number (ISIN) are as follows: ISIN: XS 1413581205; Common Code: 141358120.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg.

8. **Availability of documents**

For the period of 12 months following the date of approval of the AMF of this Prospectus, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for inspection at the office of the Fiscal Agent and each of the Paying Agents:

- (i) the Agency Agreement (which includes the form of the Global Notes, the definitive Notes, the Coupons, and the Talons), together with any supplement thereto;
- (ii) the Deed of Covenant;
- (iii) the *Statuts* of Total; and
- (iv) a copy of this Prospectus, together with any Supplement to this Prospectus and the documents incorporated by reference herein.

Copies of this Prospectus and any Supplement to this Prospectus will be published on the website of the AMF (www.amf-france.org) and of Total S.A. (www.total.com).

9. **Auditors**

The auditors of Total are Ernst & Young Audit and KPMG Audit, a division of KPMG S.A., of 1/2, place des Saisons 92400 Courbevoie – Paris-La Défense 1 and 2, avenue Gambetta, CS 60055-92066, Paris La Défense 1, respectively. They have audited and expressed unqualified opinions in the audit reports they have issued on the consolidated financial statements of Total as of and for the years ended 31 December 2014 and 31 December 2015. The report on the consolidated financial statements for the year ended 31 December 2014 contains an observation. The French auditors carry out their duties in accordance with the professional auditing standards applicable in France (“*Normes d’Exercice Professionnel*”) and are members of the CNCC professional body.

10. **Yield**

Being undated securities, there is no explicit yield to maturity for the Notes. The yield in respect of the Notes up to the First Reset Date calculated on the basis of the issue price of the Notes and assuming no suspension of interest on the Notes up until that date is 3.875 per cent. *per annum*. It is not an indication of any future yield.

11. **Material Interests**

As far as the Issuer is aware and save for the commissions payable to the Joint Bookrunners described in this Prospectus, no person involved in the issue of any of the Notes has an interest material to the issue.

12. **Conflicts of Interest**

At the date of this Prospectus, as far as the Issuer is aware, there are no conflicts of interest material to the issue or offer of the Notes between the duties of the members of the Board of Directors (*Conseil d’administration*) and their private interests and/or their other duties.

13. **Ratings**

The Issuer is currently rated A+ with a negative outlook by S&P and Aa3 with stable outlook by Moody’s. The Notes are expected to be assigned a rating of A- by S&P and A2 by Moody’s. Each of S&P and Moody’s is established in the European Union, is registered under Regulation (EC) No.1060/2009 on credit ratings agencies, as amended by Regulation (EU) No. 513/2011 and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu/page/List-registered-and-certified-CRAs). Credit ratings are subject to revision, suspension or withdrawal at any time by the relevant rating

organization. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS

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

The statutory auditors' audit report on the consolidated financial statements for the year ended 31 December 2014, incorporated by reference in this Debt Issuance Programme Prospectus, draws attention to the matter set out in note "Introduction" to the consolidated financial statements which sets out a change in accounting methods related to the change in the presentation currency of the consolidated financial statements from the euro to the U.S. dollar.

TOTAL S.A.

2, place Jean Millier
92078 Paris La Défense Cedex
France

Duly represented by:

Humbert de Wendel, Group Treasurer of Total S.A.
on 13 May 2016.



Autorité des marchés financiers

In accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and with the General Regulations (*Réglement Général*) of the *Autorité des marchés financiers* ("AMF"), in particular Articles 212-31 to 212-33, the AMF has granted to this Prospectus the visa no. 16-177 on 13 May 2016. It was prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L.621-8-1-I of the French *Code monétaire et financier*, the visa was granted following an examination by the AMF of "*whether the document is complete and comprehensible, and whether the information it contains is coherent*". It does not imply an approval by the AMF of the opportunity of the transaction contemplated hereby or that the AMF has verified the accounting and financial data set out in it or the appropriateness of the issue of the Notes.

Issuer

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Joint Global Coordinators and Joint Bookrunners

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Joint Bookrunners

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Fiscal Agent, Principal Paying Agent and Calculation Agent

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