PROSPECTUS DATED 22 OCTOBER 2019



APICIL Prévoyance

€250,000,000 Subordinated Notes due 24 October 2029
Issue Price: 100 per cent.

This prospectus (the "**Prospectus**") does not constitute a prospectus for the purposes of the Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**"). Accordingly, this Prospectus has not been and will not be submitted for approval to any competent authority within the meaning of the Prospectus Regulation and in particular the Luxembourg *Commission de Surveillance du Secteur Financier*, in its capacity as competent authority for the purposes of the Prospectus Regulation.

Application has been made to the Luxembourg Stock Exchange, in its capacity as market operator of the Euro MTF Market (the "**Euro MTF Market**") under the rules and regulations of the Luxembourg Stock Exchange, to approve the Prospectus pursuant to part IV of the Luxembourg law on prospectuses for securities dated 16 July 2019. Application has been made for the Notes to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the Euro MTF Market. The Euro MTF Market is not a regulated market for the purposes of the Directive 2014/65/EU on markets in financial instruments, as amended.

The €250,000,000 subordinated notes (the "**Notes**") of APICIL Prévoyance (the "**Issuer**" or "**APICIL Prévoyance**") will be issued on 24 October 2019 (the "**Issue Date**") in the denomination of €100,000 each.

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed on or about 24 October 2029 (the "**Scheduled Maturity Date**") at their principal amount provided that the Conditions to Redemption and Purchase are satisfied on such date, failing which on such later date as soon thereafter as the Conditions to Redemption and Purchase are so satisfied as further specified in "*Terms and Conditions of the Notes – Redemption and Purchase – Redemption at Maturity*". The Issuer shall also have the right (provided the Conditions to Redemption and Purchase are satisfied) to redeem the Notes upon the occurrence of a Tax Event, a Capital Disqualification Event or if the conditions for a clean-up call are satisfied, as further described in "*Terms and Conditions of the Notes — Redemption and Purchase*".

The obligations of the Issuer in respect of principal and interest payable under the Notes constitute direct, unconditional, unsecured and dated subordinated obligations of the Issuer and the Notes rank and will rank *pari passu* without any preference among themselves and with all other, present or future, Ordinary Subordinated Obligations of the Issuer, but prior to all, present or future, Deeply Subordinated Obligations and *prêts participatifs* granted to the Issuer, as further described in "*Terms and Conditions of the Notes – Status of the Notes*".

The Notes contain no negative pledge nor events of default.

Each Note will bear interest on its principal amount from (and including) the Issue Date at a fixed rate of 4.00 per cent. *per annum* payable annually in arrears on 24 October in each year, commencing on 24 October 2020, as further specified in "*Terms and Conditions of the Notes — Interest*". Payment of interest on the Notes shall be deferred under certain circumstances, as set out in "*Terms and Conditions of the Notes - Interest — Interest Deferral*".

The Notes will be issued in dematerialised bearer form (*au porteur*). Title to the Notes will be evidenced in accordance with Articles L.211-3 *et seq.* and R.211-1 *et seq.* of the French *Code monétaire et financier* by book-entries (*inscription en compte*) in the books of Account Holders (as defined in "*Terms and Conditions of the Notes – Definitions*"). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France, which shall credit the accounts of the Account Holders, as set out in "*Terms and Conditions of the Notes – Denomination, Form and Title of the Notes*".

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States, or to, for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. Accordingly, the Issuer is offering the Notes only to non-U.S. persons located outside the United States in offshore transactions within the meaning of and in reliance upon Regulation S. For a description of certain restrictions on offers and sales of Notes and on distribution of this Prospectus, see "*Subscription and Sale*".

The Issuer has been assigned an insurance financial strength rating of A3 with negative outlook by Moody's France S.A.S. ("**Moody's**"). The Notes are expected to be rated Baa2 by Moody's. As at the date of this Prospectus, Moody's is established in the European Union, registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council dated 16 September 2009, as amended (the "**CRA Regulation**") and included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, change or withdrawal at any time by the assigning rating agency.

Copies of this Prospectus are available on the websites of the Luxembourg Stock Exchange (www.bourse.lu) and of the Issuer (www.apicil.com) and may be obtained, without charge on request, at the principal office of the Issuer during normal business hours. Copies of all documents incorporated by reference in this Prospectus are available (i) on the website of the Luxembourg Stock Exchange (www.bourse.lu) and (ii) on the website of the Issuer (www.apicil.com) and may be obtained, without charge on request, at the principal office of the Issuer during normal business hours.

An investment in the Notes involves certain risks. Potential investors should review all the information contained or incorporated by reference in this document and, in particular, the information set out in the section entitled "*Risk Factors*" before making a decision to invest in the Notes.

Structuring Advisor, Lead Manager and Sole Bookrunner

BNP PARIBAS

Certain information contained in this Prospectus and/or documents incorporated herein by reference have been extracted from sources specified in the sections where such information appears. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the above sources, no facts have been omitted which would render the information reproduced inaccurate or misleading. The Issuer has also identified the source(s) of such information.

Unless otherwise specified herein, references to the ***Group*** *are to the APICIL Prudential Group (as defined in Condition 1 of "Terms and Conditions of the Notes" below) and as more fully described in "Description of the Issuer and the APICIL Group".*

This Prospectus is to be read in conjunction with any supplement that may be published, and all documents which are incorporated herein by reference (see the section entitled "Documents Incorporated by Reference"). This Prospectus shall be read and construed on the basis that such documents are incorporated in, and form part of, this Prospectus.

The Lead Manager (as defined in the section entitled "Subscription and Sale") has not independently verified the information contained or incorporated by reference herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Lead Manager as to the accuracy or completeness of any of the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer in connection with the issue and sale of the Notes.

This Prospectus does not constitute a prospectus for the purpose of the Prospectus Regulation and has been prepared for the purposes of giving information with regard to, 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 the Issuer and the Group.

In connection with the issue and sale of the Notes, no person is or has been authorised by the Issuer or the Lead Manager to give any information or to make any representation not contained in or not consistent with this Prospectus and if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Lead Manager.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained or incorporated by reference herein concerning the Issuer or the Group is correct at any time subsequent to the date hereof or that there has been no change in the affairs of the Issuer or those of the Group since the date hereof or the date upon which this Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or that of the Group since the date hereof or the date upon which this Prospectus has been most recently supplemented or that any other information supplied in connection with the issue and sale of the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Lead Manager does not undertake to review the financial condition or affairs of the Issuer or the Group during the life of the Notes or to advise any investor or potential investor in the Notes of any information coming to its attention. Investors should review, inter alia, the documents incorporated by reference into this Prospectus when deciding whether or not to subscribe for or to purchase any Notes.

Neither this Prospectus nor any other information supplied in connection with the issue and sale of the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or the Lead Manager that any recipient of this Prospectus or any other information supplied in connection with the issue and sale of the Notes should purchase any Notes. Neither this Prospectus nor any other information supplied in connection with the issue and sale of the Notes constitutes an offer or invitation by or on behalf of the Issuer or the Lead Manager to any person to subscribe for or to purchase any Notes.

In making an investment decision regarding the Notes, prospective investors should rely on their own independent investigation and appraisal of (a) the Issuer, the Group, their business, their financial condition and affairs and (b) the terms of the offering, including the merits and risks involved. The content of this Prospectus is not to be construed as legal, business or tax advice. Each prospective investor should consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Notes and the suitability of investing in the Notes in light of its particular circumstances. Potential investors should, in particular, read carefully the section entitled "Risk Factors" set out below before making a decision to invest in the Notes.

The Notes should only be purchased by investors who have sufficient knowledge and experience to properly assess the Notes and the risks relating to an investment in such Notes.

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 solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Lead Manager do not represent that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Lead Manager which would 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. 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 in the United States, the United Kingdom and France, see the section entitled "Subscription and Sale".

MIFID II product governance / Professional investors and ECPs only target market *- Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by the European Securities and Markets Authority (**ESMA**) on 5 February 2018, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.*

PRIIPs Regulation / Prohibition of sales to EEA retail investors *- The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.*

*In this Prospectus, unless otherwise specified or the context requires, references to "**euro**", "**EUR**" and "**€**" are to the single currency of the participating member states of the European Economic and Monetary Union.*

IMPORTANT CONSIDERATIONS

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(a) 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 or any applicable supplement;

(b) 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 the Notes will have on its overall investment portfolio;

(c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;

(d) understand thoroughly the terms of the Notes, such as the provisions governing a Mandatory Deferral of Interest, understand under what circumstances a Regulatory Deficiency will or may be deemed to occur and be familiar with the behaviour of financial markets;

(e) 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 applicable risks; and

(f) consult its legal advisers in relation to possible legal or fiscal risks that may be associated with any investment in the Notes.

The Notes are complex financial instruments. Sophisticated institutional investors generally purchase complex financial instruments as part of a wider financial structure rather than as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Potential conflicts of interest

The Lead Manager and its affiliates have engaged, and/or may in the future engage, in investment banking, commercial banking and other financial advisory and commercial dealings with the Issuer and in relation to securities issued by any entity of the Group. They have or may (a) engage in investment banking, trading or hedging activities including in activities that may include prime brokerage business, financing transactions or entry into derivative transactions, (b) act as underwriters in connection with offering of shares or other securities issued by any entity of the Group or (c) act as financial advisers to the Issuer or other companies of the Group. In the context of these transactions, the Lead Manager have or may hold shares or other securities issued by entities of the Group. Where applicable, they have or will receive customary fees and commissions for these transactions.

Taxation

Payments of interest and other assimilated revenues on the Notes, or profits realised by the Noteholder upon the disposal or repayment of the Notes, may be subject to taxation or documentary charges or duties in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors are advised not to rely upon the general description contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, disposal and redemption of the Notes. Only these advisers are in a position to duly consider the specific situation of each potential investor.

A Noteholder's effective yield on the Notes may be diminished by the tax impact on that Noteholder of its investment in the Notes.

FORWARD-LOOKING STATEMENTS

Certain statements contained herein are forward-looking statements including, but not limited to, statements that are predictions of or indicate future events, trends, business strategies, expansion and growth of operations plans or objectives, competitive advantage and regulatory changes, based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact. The Issuer and the Group may also make forward-looking statements in its audited annual financial statements, in its prospectuses, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Forward-looking statements are typically identified by words or phrases such as, without limitation, "anticipate", "assume", "believe", "continue", "estimate", "expect", "foresee", "intend", "may increase" and "may fluctuate" and similar expressions or by future or conditional verbs such as, without limitation, "will", "should", "would" and "could." Undue reliance should not be placed on such statements, because, by their nature, they are subject to known and unknown risks, uncertainties, and other factors and actual results may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Please refer to the section entitled "*Risk Factors*" below.

The Issuer operates in a continually changing environment and new risks emerge continually. Forward-looking statements speak only as of the date they are made and the Issuer does not undertake any obligation to update or revise any of these forward-looking statements, to reflect new information, future events or circumstances or otherwise.

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PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS

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

APICIL Prévoyance
38 rue Francois Peissel
69300 Caluire et Cuire
France

Duly represented by:
Mr. Philippe Barret
Directeur Général

RISK FACTORS

Prior to making an investment decision, prospective investors in the Notes offered hereby should consider carefully, among other things and in light of their financial circumstances and investment objectives, all the information of this Prospectus and, in particular, the risks factors set forth below. Each of the risks highlighted below could have a material adverse effect on the business, operations, financial conditions or prospects of the Issuer, which in turn could have a material adverse effect on the amount of principal and interest which investors will receive in respect of the Notes. In addition, each of the risks highlighted below could adversely affect the trading price of the Notes or the rights of investors under the Notes and, as a result, investors could lose some or all of their investment.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but this section is not intended to be exhaustive and the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may be caused by events the occurrence of which, in the view of the Issuer, is so unlikely that they should not be considered significant risks based on information currently available to the Issuer or which it may not currently be able to anticipate.

Prospective investors should make their own independent evaluation of all risk factors contained in this section.

Capitalised words and expressions used in this section have the meaning ascribed to them in the section entitled "Terms and Conditions of the Notes".

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

1. RISK FACTORS RELATING TO THE ISSUER

1.1 Strategic risks

Compliance with French government policy, regulation or legislation may affect the Issuer's profitability.

The Issuer is subject to extensive regulation and supervision in France. This includes, notably, matters relating to licensing and examination, rate setting, trade practices, policy reforms, limitations on the nature and amount of certain investments, underwriting and claims practices, guarantee funds, adequacy of its claims provisions, capital and surplus requirements, insurer solvency, the amount of dividends that may be paid and underwriting standards. Such regulation and supervision is primarily for the benefit and protection of policyholders and not for the benefit of investors. As the amount and complexity of these regulations increase, the cost of compliance and the risk of non-compliance will also increase. If the Issuer does not meet regulatory or other requirements, the Issuer may suffer penalties including fines, suspension or cancellation of its insurance licenses which could adversely affect its ability to render its services and do business. In addition, significant regulatory action against the Issuer could have material adverse financial effects, cause significant reputational harm or harm its business prospects.

In addition, the Issuer may be adversely affected by changes in governmental policy or legislation applying to companies in the insurance industry. These changes include possible changes in regulations covering pricing and benefit payments for certain statutory classes of business, the deregulation and nationalization of certain classes of business, the regulation of selling practices, the regulations covering policy terms and the imposition of new taxes and assessments or increases in existing taxes and assessments. Regulatory changes may affect its existing and future businesses by, for example, causing customers to cancel or not renew existing policies or requiring the Issuer to change its range of products or to provide certain products (such as terrorism or flood cover where it is not already required) and services, redesign its technology or other systems, retrain its staff, pay

increased tax or incur other costs. It is not possible to determine what changes in governmental policy or legislation will be adopted and, if so, what form they will take. Insurance laws or regulations that are adopted or amended may be more restrictive than its current requirements, may result in higher costs or limit its growth or otherwise adversely affect its operations.

Changes in tax laws and regulations, including elimination of tax benefits for its products, may adversely affect sales of its insurance and investment advisory products, and also impact its deferred tax assets and liabilities.

Changes in tax laws and regulations may affect the attractiveness of certain of the Issuer's products, which currently have favorable tax treatment. From time to time, the French government considers or implements proposals for changes in tax law that could adversely affect the attractiveness of the insurance, investment and other products the Issuer offers to its clients. In addition, changes in tax laws or regulations or an operating performance below currently anticipated levels may lead to an impairment of deferred tax assets, in which case the Issuer could be obligated to write off certain tax assets. Tax assets may also need to be written down if certain assumptions of profitability prove to be incorrect, as losses incurred for longer than expected will make it more unlikely that the Issuer would be able to use its tax assets. Any such changes could be detrimental to its results of operations, financial condition and liquidity, and could impact the costs and profitability of its transactions.

French insurance recovery and resolution regime

Since the Ordinance n°2017-1608 of 27 November 2017 (the "**Ordinance**"), decree no. 2018-179 dated 13 March 2018 and Order (*arrêté*) of 10 April 2018, a resolution framework was introduced for insurance undertakings, by offering a wide range of mechanisms aiming to reduce the negative impact of a potential crisis. The new insurance recovery and resolution regime is set to enable the resolution college of the *Autorité de contrôle prudentiel et de résolution* ("**ACPR**") to have increased powers over insurance companies that are failing or likely to fail (as defined in the Ordinance), so as to anticipate the negative consequences of a possible bankruptcy in this sector for policyholders, financial stability, the economy or public finances.

Under the Ordinance, powers are granted to the ACPR to implement resolution measures with respect to an insurance undertaking and certain of its affiliates (each a relevant entity) in circumstances in which the resolution conditions are met – namely that the institution is failing or likely to fail and no reasonable actions preventing failure are available or may be implemented within a reasonable timeframe so implementing resolution measures is deemed necessary in particular to ensure the continuity of the undertaking and the reduction of the impact of such failure on the financial stability. The value of the assets of the entity in resolution must also be higher than the value of its debts. The Ordinance contains resolution tools which could be applied to an insurance undertaking, including, among others:

(i) a transfer of the portfolio of insurance contracts to a third-party insurer;

(ii) in case of failure of this resolution measure, a transfer to a bridge institution (*établissement-relais*) or to an asset management vehicle (*structure de gestion des actifs*) of all or part of the relevant entity's assets, rights and obligations; and

(iii) the appointment by the ACPR of a resolution administrator (*administrateur de résolution*) to whom all the administration, management and representation powers may be transferred.

For the avoidance of doubt, such resolution powers do not contain any bail-in power as for credit institutions under the bank recovery and resolution directive.

Where the statutory conditions for use of resolution powers have been met, the ACPR would be expected to exercise the powers without the consent of holders of any Notes.

The impact of the Ordinance on insurance undertakings, including the Issuer, and its current implementation could materially affect the rights of the holders of any Notes, the activity and financial condition of the Issuer and the Group, the value of any Notes and could lead to holders losing some or all of the value of their investment in such Notes.

Solvency capital ratios

As further described in paragraph 0 of section "Description of the Issuer" of this Prospectus, the Issuer is required to maintain eligible own funds sufficient to meet solvency capital requirements (and lower minimum regulatory capital requirements) calculated in the manner set forth in the applicable rules. The Issuer's solvency capital ratios are sensitive to capital market conditions and evolving regulatory interpretations as well as a variety of other factors.

Competition risk

The various markets on which the Issuer does business are subject to substantial competition in France. The recent consolidation in the global financial services industry has also enhanced the competitive position of some of its competitors compared to the Issuer by broadening the range of its products and services, and increasing their distribution channels and their access to capital.

The Issuer's competitors include other *institutions de prévoyance*, but also insurance companies and mutual fund companies, asset management firms and commercial and investment banks, many of which are regulated differently than the Issuer is and may be able to offer alternative products or more competitive pricing than the Issuer.

As an *institution de prévoyance*, the Issuer is significantly influenced by the adequacy of premium income relative to its risk profile and claims exposure, as well as the general level of business costs. In addition, development of alternative distribution channels for certain types of insurance products, including through Internet may result in increasing competition as well as pressure on margins for certain types of products. These competitive pressures could result in particularly as competitors seek to win market share, which could harm the Issuer's ability to market certain products profitably.

Legal proceedings and litigation may adversely affect the Issuer's business, financial condition and results of operations.

As an *institution de prévoyance*, the Issuer is exposed to litigation relating to claims on policies they underwrite. Accordingly, the Issuer is currently involved in such legal proceedings relating to claims lodged by policyholders, some of which involve claims for substantial damages and other relief. Judicial decisions may expand coverage beyond the Issuer's pricing and reserving assumptions by widening liability on its policy wording or by restricting the application of policy exclusions. There can be no assurance that the outcome of any of its judicial proceedings will be covered by its existing provisions for outstanding claims or its reinsurance protections or that litigation would not otherwise have a material adverse effect on its businesses, financial condition and results of operations.

The Issuer's businesses, and therefore its results of operation, financial condition and liquidity may be adversely affected by the disruption in the global financial markets.

The year 2018 was marked by slower world growth, low inflation, risk of a hard Brexit, political tensions between Italia and the Euro Zone and economical tensions between China and the United States. Central banks started a gradual normalisation of monetary policy. The Federal Reserve Bank raised its key rate five times to 2.5% at the end of 2018. The European Central Bank ceased its covered bond purchase programme at the end of 2018 (while continuing its reinvestments). On financial markets, sovereign rates continued to decrease, equity markets under-performed (often double-digit declines) and credit spreads widened.

In Europe, the year 2019 should be marked by the pursuit of an accommodating monetary policy and the resumption of asset purchases by the European Central Bank (raising a high liquidity level) in a context of an increasing uncertainty (energy price trend, currency risks, limited growth, Brexit, situation in Italia, economical tensions between China and the Unites-States, geopolitical tensions, etc.). In France, growth should be sustained by purchasing power policies, employment growth and business investments (1.7% in 2018 and almost 1.3% in 2019).

In the light of these factors and despite a very favourable development of risky assets and a substantial decline in the sovereign rates in the first half of 2019, the Group does not exclude that in upcoming quarters, a high volatility of equity markets, a further decline of the Euro currency and a spread widening for Euro corporates may impact its economy.

The Issuer may also turn to the market for short-, medium- or long-term financing as a result of a drop in unrealised gains, impairment of assets or a rise in surrender rates. Prolonged disruptions, uncertainty or volatility in the credit markets may limit its ability to access funding and capital, particularly its ability to issue longer-dated securities in international capital markets. These market conditions may limit the Issuer's ability to replace, in a timely manner, maturing liabilities and access the capital necessary to grow the Issuer's business. The Issuer may also be forced to delay raising longer term funding and capital, issue shorter tenors than it prefers, or pay unattractive interest rates, thereby increasing its debt expense, decreasing its profitability and significantly reducing its financial flexibility.

The performance of the Issuer is affected by general economic conditions

The performance of the Issuer is affected by changes in economic conditions, both globally and in France. Unpredictable developments also affect the industry's profitability, including changes in competitive conditions and pricing pressures, unforeseen developments in loss trends, market acceptance of new coverages, changes in operating expenses, fluctuations in inflation and interest rates and other changes in investment markets that affect market prices of investments and income from such investments. This may affect financial position and profits of the Issuer. Accordingly, its results of operations may be adversely impacted if actual experience differs from the management's estimates.

Financial solidarity amongst the APICIL SGAPS members

As a member of the APICIL SGAPS, the Issuer is committed to financial solidarity with the other members of the APICIL SGAPS as described under section "*Description of the Issuer*". The Issuer's position and solvency could be impacted should it be requested to participate in such financial solidarity, it being noted however that this financial solidarity is limited to the Issuer's surplus own funds and for so long as it does not prevent the Issuer from otherwise fulfilling its regulatory requirements.

The Group's external growth policy may not develop as anticipated nor generate the expected synergies

In recent years, the Group has carried out a significant acquisition (OneLife) in 2018 with effect in 2019 (as further described in paragraph 4 of the section "*Description of the Issuer*").

The Group's strategy is to continue this policy of external growth by identifying target entities likely to be profitable and having significant growth potential. However, the Group cannot guarantee that it will be able in the future to identify acquisition opportunities, nor that such opportunities will exist. No assurance can either be made that the Group will successfully integrate the recently acquired entities or entities to be acquired in the future. The Group may not achieve the anticipated synergies nor generate sufficient revenue to justify the price paid for such acquisitions. A failure to integrate the acquired entities could have a material adverse effect on the Group's activities, results or financial condition, or on its ability to achieve its objectives.

1.2 Financial risks

Market risks

The market risk affects the yield of the assets backing the core capital and technical provisions of the Issuer. Market levels and returns on investment constitute a significant part of the overall profitability of the Issuer and fluctuations in financial markets may have a material effect on operating results.

Moreover, policy holder returns on non-unit-linked life insurance policies are based on either a fixed rate specified in the policy or a variable rate, with or without a minimum guaranteed return. All of these policies give rise to an interest rate and asset value risk, corresponding to the risk that the return on admissible assets (*i.e.* assets acquired by investing premiums) is less than the contractual return payable to policyholders.

Global debt and equity market have experienced historical levels of volatility and the outlook is uncertain. Any decline in the financial markets could have an adverse effect on the financial situation, operating results and cash flow of the Issuer.

Fluctuations in interest rates may affect the yields on and the market value of notes.

- During periods when interest rates are going up, the price of fixed income securities tends to decrease and gains on sale of such securities are lower or losses greater.

- If the interest rates are low for a long time, investment could be affected in a sense that it would not match the liability requirement.

Risk relating to investment portfolio

The yield on assets representing technical commitments is key in the definition of beneficiary participations attributed to the policy holders. Variations in interest rates and returns on equity markets particularly seen in the Issuer's life insurance, pensions, and savings business.

Investment risk on life insurance portfolios is sometimes borne by the policy holders in the case of unit-linked life insurance policies. In these cases, fluctuations of the price of underlying securities will directly or indirectly affect the financial results of the life insurance business operations. Furthermore such fluctuations could affect the solvency of the Issuer, in particular the level of unrealised gains eligible to cover the solvency margin requirement.

Liquidity risk

There is a risk that the Issuer cannot sell a financial asset at its true value or cannot sell it at all. The Issuer also faces the risk that it cannot meet its obligations, such as being able to reimburse the policy holders requesting it.

1.3 Insurance risks

Provision risk

This risk may arise if insufficient provision is made to meet commitments due to wrong assessment of available data, subsequent modification of the risk factors or inappropriate calculation parameters. In particular:

- raising social security retirement age could lead to insufficient provision for disability benefits because disability benefits expire – and are assessed based on – social security retirement age; and

- cutting social security benefits could lead to insufficient provision because the Issuer would have to compensate policyholders for such cuts.

The occurrence of such risk may affect the Issuer's profits and financial situation.

Pricing risk

This risk may arise as a result of premiums being too low to meet the commitments (risk of wrong assessment of the characteristics of the policy holder risk, risk of wrong evaluation of the premium). The launch of new products or changes to existing products may lead to the occurrence of this type of risk. The occurrence of such risk may affect the Issuer's profits and financial situation.

Disaster risk

The risk for an insurer of the sudden occurrence of an incident involving very large claims, or an accumulation of incidents due to a single event (for example, a pandemic risk). The occurrence of such risk may affect the Issuer's profits and financial situation.

Longevity, mortality and morbidity risk

The Issuer may be affected by significant changes in statistics of longevity, mortality or morbidity of its policyholders. The occurrence of such risk may affect the Issuer's profits and financial situation.

Surrender risk

Savings contracts include a surrender clause allowing policyholders to request reimbursement of all or part of their accumulated savings. The Issuer is exposed to the risk of surrender volumes being higher than the forecasts used for asset liability management purposes, which may force the Issuer to sell assets at a loss.

For unit linked insurance contracts, risks linked to contracts with a guaranteed minimum benefit

For unit linked insurance contracts, unit linked liabilities are equal to the sum of the market values of the assets held in the unit-linked porfolios. The Issuer's liability is therefore covered by corresponding assets. The match between unit-linked liabilities and the related assets is controlled at monthly intervals only.

Lapse and transfer risk

The Issuer may be affected by significant changes in lapse of life insurance contracts or by transfer of group pension contracts to another insurer. The occurrence of such risk may affect the Issuer's profits and financial situation.

Reinsurance risk

With respect to its insurance business, the Issuer attempts to limit its risks in particular lines of business or from specific events by using outward reinsurance arrangements. The Issuer has exposure to its reinsurers through its reinsurance arrangements. In such arrangements, the other insurers assume part of the cost, losses and expenses associated with incidents, and losses whether or not carried over, in exchange for a proportion of the premiums. The ability to make a claim under, and the amount and cost of, the reinsurance depends on general market conditions and may vary significantly. Any decrease in the amount of reinsurance cover purchased will increase the risk of loss for the Issuer. When reinsurance is put in place, the Issuer remains liable for transferred risks if the reinsurer does not fulfil its obligations. Default by a reinsurer could therefore affect the Issuer's profits and financial situation.

1.4 Operational risks

The Issuer defines operational risk as the risk of loss due to inappropriate or failure of procedures, individuals or systems or loss resulting from external events.

Operational risks can be classified into the following categories:

- Risk of internal or external fraud: from an employee or a third party, whether a customer, a beneficiary or a partner.

- Human resources and skills risk: this relates to the inadequacy between the available skills and the needs (key-men, training), errors in setting hiring, salaries and careers management policies, social relations in relation to employees representation or negotiation processes.

- The risks relating to information systems which include risks relating to the planning of systems development, risk of design, development and maintenance of applications, risks attached to the use of applications and softwares.

- Risks attached to the conduct of operations: information reliability, compliance of procedures, reliability of deliverables, human errors and monitoring of activities.

- Risks relating to operational organisation: this relates to the inadequacy between the strategy and the organisation of the Issuer, the inefficiency of defined processes or inappropriate definition of interfaces.

- Security risks: continuity and resuming activities (establishment of a business continuity plan), goods and individuals.

- Risks relating to outsourcing and suppliers: dysfunction or termination of commercial relations with a sub-contractor, contractualisation and compliance of obligations.

- Commercial and partnership risks: risks regarding the default of a partner, the sharing of responsibilities, commissioning, products distribution, knowledge of clients' needs and ethics.

- Development risks: adequacy between offer and the market, internal or external growth, risks relating to external communications.

- Risks relating to professional conduct: failure to comply with professional conducts when dealing with clients.

- Risks relating to anti-money laundering: the Issuer has set up anti-money laundering policies in order to efficiently prevent money laundering.

- Insurance and risk hedging: subscribed insurance policies relate to insurances regarding damage to goods, civil liability insurances and individuals insurances. The subscribed insurances and levels of self- insurance vary depending on the activities, the size and claim rates of the related entities.

The occurrence of any such above operational risks may affect the Issuer's business, profits and financial situation.

2. RISK FACTORS RELATING TO THE NOTES

2.1 General Risks relating to the Notes

Independent review and advice

Each prospective investor in the Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

Each prospective investor should consult its own advisers as to legal, tax and related aspects of an investment in the Notes. A prospective investor may not rely on the Issuer or the Lead Manager or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Legality of purchase

Neither the Issuer, the Lead Manager nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor, 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.

The trading market for the Notes may be volatile and may be adversely impacted by many events

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors. The market for the Notes may be influenced by economic and market conditions, political events in France or elsewhere and, to varying degrees, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in France, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Notes or that economic and market conditions will not have any other adverse effect. The price at which a Noteholder will be able to sell the Notes may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

The actual yield of the Notes may be reduced by transaction costs

When the Notes are purchased or sold, several types of incidental costs are incurred in addition to the current price of the Notes (including transaction fees, commissions and any additional or follow-up costs in connection with the purchase, custody or sale of the Notes) which may significantly reduce or even exclude the potential profit of the Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than Euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of 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 the Euro would decrease (a) the Investor's Currency-equivalent yield on the Notes, (b) the

Investor's Currency equivalent value of the principal payable on the Notes and (c) the Investor's Currency-equivalent market value of the Notes.

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

Interest rate risks

The Notes bearing interest at a fixed rate, investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes. While the nominal interest rate of a fixed interest rate note is fixed during the life of such a note, the current interest rate on the capital market (market interest rate) typically changes on a daily basis. If the market interest rate increases, the price of such note typically falls, until the yield of such note is approximately equal to the market interest rate. If the market interest rate decreases, the price of a fixed rate note typically increases, until the yield of such note is approximately equal to the market interest rate. Noteholders should be aware that movements of the market interest rate can adversely affect the price of the Notes and can lead to losses for the Noteholders if they sell Notes during the period in which the market interest rate exceeds the fixed rate of the Notes.

An active trading market for the Notes may not develop

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have an adverse effect on the market value of Notes. There is no assurance as to the development or liquidity of any trading market for the Notes. The Issuer is entitled to buy the Notes, which shall then be cancelled or caused to be cancelled, and to issue further Notes. Such transactions may favourably or adversely affect the price development of the Notes. If additional and competing products are introduced in the markets, this may adversely affect the value of the Notes.

Modification of the Terms and Conditions of the Notes

Noteholders will be grouped automatically for the defence of their common interests in a Masse, as defined in Condition 12 (*Representation of Noteholders*) of the Terms and Conditions of the Notes, and a general meeting of Noteholders can be held or Written Decisions can be taken. The Terms and Conditions of the Notes permit in certain cases defined majorities of Noteholders to bind all Noteholders including Noteholders who did not attend and vote at the relevant general meeting or did not consent to the Written Decision or Noteholders who voted in a manner contrary to the majority.

Noteholders may through Collective Decisions adopt any proposal of resolutions relating to the modification of the Terms and Conditions of the Notes, notably on any proposal, whether for arbitration or settlement, relating to rights in controversy or which were subject of judicial decisions, as more fully described in Condition 12 (*Representation of the Noteholders*).

Change of law

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial or administrative decision or change in French law or the official application or interpretation of French law after the date of this Prospectus. Furthermore, the Issuer operates in a heavily regulated environment and has to comply with extensive regulations in France and elsewhere.

French insolvency law

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 safeguard procedure (*procédure de sauvegarde*), an accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*), an accelerated safeguard procedure (*procédure de sauvegarde 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 a euro medium term notes programme) and regardless of their governing law.

The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*), accelerated safeguard plan (*projet de plan de sauvegarde accélérée*) or 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 the 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 securities that give or may give rights 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 expressing a vote). No quorum is required to hold the Assembly.

The procedures, as described above or as they will or may be amended, could have an adverse impact on Noteholders seeking repayment in the event that the Issuer were to become insolvent or otherwise subject to any of the foregoing procedures.

For the avoidance of doubt, the provisions relating to the representation of the Noteholders described in the Terms and Conditions of the Notes set out in this Prospectus will not be applicable with respect to the Assembly to the extent they conflict with compulsory insolvency law provisions that apply in these circumstances.

The Relevant Supervisory Authority must approve in advance the opening of any safeguard, judicial reorganisation or liquidation procedures.

Legal investment considerations may restrict certain investments

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

2.2 Risks relating to the structure of the Notes

The Notes are subordinated obligations of the Issuer

The obligations of the Issuer under the Notes in respect of principal and interest (including any outstanding Arrears of Interest) constitute direct, unconditional, unsecured and dated subordinated obligations of the Issuer and the Notes rank and will rank *pari passu* without any preference among themselves and with all other, present or future, Ordinarily Subordinated Obligations of the Issuer.

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer or if the Issuer is liquidated for any other reason, the rights of Noteholders to payment under the Notes shall:

(i) be subordinated to the full payment of present and future unsubordinated creditors (including, without limitation, depositors and creditors whose claims arise under contracts entered into for the purposes of any liquidation and the claims of policyholders of the Issuer) and to any other subordinated obligations expressed to be senior to the Notes, such as Senior Subordinated Obligations;

(ii) rank *pari passu* with any Ordinary Subordinated Obligations of the Issuer; and

(iii) rank prior to any *prêts participatifs* granted to the Issuer and any Deeply Subordinated Obligations of the Issuer.

Pursuant to Article L.931-22 of the French Code de la sécurité sociale*, a lien (*privilège*) over the movable assets of the Issuer is granted for the benefit of the Issuer's policyholders. Noteholders, even if they are policyholders of the Issuer, do not have the benefit of such lien in relation to amounts due under the Notes.*

In the event of incomplete payment of creditors ranking senior to holders of the Notes (in the context of voluntary or judicial liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer) the obligations of the Issuer in connection with the Notes and relative interest will be terminated.

Thus, the Noteholders face a higher performance risk than holders of unsubordinated obligations of the Issuer.

Restrictions on interest payment

On a Mandatory Interest Deferral Date, the Issuer will be obliged to defer payment of all (but not some only) the interest accrued (and, if relevant, any Arrears of Interest) to that date (and any such failure to pay shall not constitute a default by the Issuer for any purpose), provided however that the relevant Interest Payment Date will not be a Mandatory Interest Deferral Date in relation to such Interest Payment (or such part thereof) if:

(i) the Relevant Supervisory Authority has exceptionally waived the deferral of such Interest Payment (and, if relevant, any Arrears of Interest) to the extent the Relevant Supervisory Authority can give such waiver in accordance with the Solvency II Regulations as applicable;

(ii) paying the Interest Payment (and, if relevant, any Arrears of Interest) does not further weaken the solvency position of the Issuer and/or the APICIL Prudential Group as determined in accordance with the Solvency II Regulations as applicable; and

(iii) the Minimum Capital Requirement will be complied with immediately after the Interest Payment (and, if relevant, any Arrears of Interest) is made.

Any interest not paid on a Mandatory Interest Deferral Date and deferred shall so long as it remains outstanding constitute Arrears of Interest.

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.

Redemption risk

Although the Notes are dated, they may not be redeemed on the Scheduled Maturity Date if (i) a Regulatory Deficiency has occurred and is continuing on the due date for redemption or (ii) such redemption or purchase would itself cause a Regulatory Deficiency, except if (a) the Relevant Supervisory Authority has exceptionally waived the suspension of redemption or purchase, (b) the Notes have been exchanged for or converted into another basic own-fund item of at least the same quality and (c) the Minimum Capital Requirement is complied with after the redemption or purchase or (iii) the Prior Approval of the Relevant Supervisory Authority has not been obtained by the Issuer.

Early redemption risk

Subject to the Conditions to Redemption set out in "*Terms and Conditions of the Notes — Redemption and Purchase - Conditions to Redemption and Purchase*" which include, in particular, the Prior Approval of the Relevant Supervisory Authority, the Issuer may, at its option, redeem the Notes upon the occurrence of certain events, including a Tax Event, a Capital Disqualification Event or if the conditions for a clean-up call are satisfied, as further described in "*Terms and Conditions of the Notes — Redemption and Purchase*".

Such redemption options will be made at the Redemption Amount and will be exercised at the principal amount of the Notes together with interest accrued to the date of redemption (including, for the avoidance of doubt, any Arrears of Interest (if any) thereon at such date).

The redemption at the option of the Issuer may affect the market value of the 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.

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 amounts received upon redemption at a rate that will provide the same return as their investment in the Notes. Potential investors should consider reinvestment risk in light of other investments available at that time.

There are no events of default under the Notes

The Terms and Conditions of the Notes do not provide for events of 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 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. 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 deferral of interest and, if the Issuer were liquidated (whether voluntarily or not), the Noteholders could suffer loss of their entire investment.

Credit ratings assigned to the Issuer or the Notes may not reflect all the risks associated with an investment in the Notes

Credit ratings are expected to be assigned to the Issuer and the Notes by one independent credit rating agency (see cover page of this Prospectus for more information). The rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed herein, and other factors that may affect the value of the Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, reduction or withdrawal at any time. A revision, suspension or withdrawal of a rating may adversely affect the market price of the Notes. In particular, such suspension, reduction or withdrawal of a credit rating may result from a change in the rating methodology of the assigning rating agency.

A credit rating downgrade may result in a reduction in the trading value of the Notes

The value of the Notes is expected to be affected, in part, by investors' general appraisal of the creditworthiness of the Issuer. Such perceptions are generally influenced by the ratings accorded to the outstanding securities of the Issuer by standard statistical rating services, such as Moody's. A reduction in the rating, if any, accorded to outstanding debt securities of the Issuer could result in a reduction in the trading value of the Notes.

The Terms and Conditions of the Notes include a waiver of set-off rights

By subscribing or acquiring Notes, each Noteholder shall be deemed to have irrevocably waived any actual and potential right of or claim to deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any Notes at any time (for the avoidance of doubt, both before and during any winding-up, liquidation or administration of the Issuer) to the fullest extent permitted by applicable law. Subject to applicable law, no Noteholder who is indebted to the Issuer will be entitled to exercise any right of set-off or counterclaim against moneys owed to the Issuer in respect of such indebtedness.

Regulatory regime: Solvency II

The Notes are issued for capital adequacy regulatory purposes with the intention that all the proceeds of the Notes be eligible, (x) for the purpose of the determination of the Issuer's and the APICIL Prudential Group's solvency margin or capital adequacy levels under the Solvency II Regulations or (y) as tier two own funds regulatory capital (or whatever the terminology employed by the Solvency II Regulations) for the purposes of the determination of the Issuer's and the Combined Regulatory Group's regulatory capital under the Solvency II Regulations, except, in each case, as a result of the application of the limits on inclusion (on a solo or group-level basis) of such securities in, respectively, the Issuer's and the APICIL Prudential Group's solvency margin or own funds regulatory capital, as the case may be.

The Issuer's expectation of such eligibility is based on its review of available information at the date of this Prospectus relating to the implementation from 1 January 2016 of the Solvency II Directive in France by ordinance (*ordonnance*) no. 2015-378 dated 2 April 2015 completed by the decree

(*décret*) no. 2015-513 dated 7 May 2015 and the order (*arrêté*) of the same date and the "level two" implementation measures set out in Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 which entered into force on 18 January 2015 and Commission Delegated Regulation (EU) 2019/981 of 8 March 2019 which entered into force on 8 July 2019, as amended.

There can be no assurance that, following their initial publication, the "level two" implementation measures and "level three" guidance will not be amended. Moreover, there is uncertainty as to how regulators, including the Relevant Supervisory Authority, will interpret the Solvency II Directive as implemented in France, the "level two" implementation measures and/or "level three" guidance and apply them to the Issuer or the APICIL Prudential Group. Moreover, there can be no assurance that, following their initial publication, the "level two" implementation measures and "level three" guidance will not be amended or that the ACPR will not change the way it interprets and applies these requirements to the French insurance industry.

Any such changes that may occur in the application of Solvency II in France subsequent to the date of this Prospectus and/or any subsequent changes to such rules and other variables may individually and/or in aggregate negatively affect the calculation of the Issuer's Solvency Capital Requirement (or, if different, whatever terminology is employed to denote such requirement by the applicable Solvency II Regulations) and render the Issuer's regulatory capital requirements more onerous and thus increase the risk of deferral of Interest Payments and the occurrence of a Capital Disqualification Event and subsequent redemption of the Notes by the Issuer as a result of which a Noteholder could lose all or part of the value of their investment in the Notes.

The Issuer will not be required to redeem the Notes if it is prohibited by French law from paying additional amounts

In the event that the Issuer is required to withhold amounts in respect of French taxes from payments of interest on the Notes, the Terms and Conditions of the Notes provide that, subject to certain exceptions, the Issuer will pay additional amounts so that the Noteholders will receive the amount they would have received in the absence of such withholding as further described in the risk factor below entitled "*No gross-up obligation unless a Redemption Alignment Event has occurred*". Under French tax law, there is some uncertainty as to whether the Issuer may pay such additional amounts. French debt instruments typically provide that, if an issuer is required to pay additional amounts but is prohibited by French law from doing so, the Issuer must redeem the debt instruments in full. Under Article 73.1(d) of the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, mandatory redemption clauses are not permitted in a Tier 2 instrument such as the Notes. As a result, the Terms and Conditions of the Notes provide for redemption at the option of the Issuer in such a case (subject to approval of the Relevant Supervisory Authority), but not for mandatory redemption. If the Issuer does not exercise its option to redeem the Notes in such a case, Noteholders will receive less than the full amount due under the Notes, and the market value of the Notes will be adversely affected.

No gross-up obligation unless a Redemption Alignment Event has occurred

If French law should require any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, the Issuer will not pay such additional amounts as would be necessary for each Noteholder, after such withholding or deduction, to receive the full amount then due and payable thereon in the absence of such withholding or deduction unless a Redemption Alignment Event has occurred and is continuing (as more fully described under "*Terms and Conditions of the Notes – Taxation*") and subject to the Relevant Date having elapsed.

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 the avoidance of doubt, it does not, and is not intended to, constitute a summary of this Prospectus within the meaning of Article 7 of the Prospectus Regulation or any implementing regulation thereof. 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:	APICIL Prévoyance
Legal Entity Identifier (LEI):	969500D3CIL5P47FL803
Description:	€250,000,000 4.00 per cent. subordinated notes due 24 October 2029 (the "**Notes**").
Structuring Advisor, Lead Manager and Sole Bookrunner:	BNP Paribas.
Fiscal Agent and Paying Agent:	BNP Paribas Securities Services.
Aggregate Principal Amount:	€250,000,000.
Denomination:	€100,000 per Note. "**Principal Amount**" means €100,000, being the principal amount of each Note on the Issue Date.
Issue Date:	24 October 2019.
Issue Price:	100 per cent.
Maturity:	24 October 2029 (the "**Scheduled Maturity Date**").
Form:	The Notes are issued in dematerialised bearer form (*au porteur*) and will at all times be evidenced in book-entry form (*inscription en compte*) in the books of the Account Holders (as defined below). No physical documents of title (including *certificats représentatifs*) will be issued in respect of the Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France which shall credit the accounts of the Account Holders. Title to the Notes shall be evidenced by entries in the books of the Account Holders and will pass upon, and transfer of Notes may only be effected through, registration of the transfer in such books. All sums due in respect of the Notes shall be paid by the Fiscal Agent on behalf of the Issuer to the Account Holders for the account of the relevant Noteholders. Where: "**Account Holder**" shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France,

and includes Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream**").

Status of the Notes: The Notes constitute Ordinary Subordinated Obligations of the Issuer. The subordination provisions of the Notes are governed by Article L.228-97 of the French *Code de commerce*.

The principal and interest (including any outstanding Arrears of Interest) on the Notes constitute direct, unconditional, unsecured and dated subordinated obligations of the Issuer and the Notes rank and will rank *pari passu* without any preference among themselves and with all other, present or future, Ordinary Subordinated Obligations of the Issuer, but prior to all, present or future, Deeply Subordinated Obligations and *prêts participatifs* granted to the Issuer.

Subject to applicable law, in the event of voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer or if the Issuer is liquidated for any other reason, the rights of Noteholders in respect of principal and interest (including any outstanding Arrears of Interest) under the Notes shall:

(i) be subordinated to the full payment of present and future unsubordinated creditors (including, without limitation, depositors and creditors whose claims arise under contracts entered into for the purposes of any liquidation and the claims of policyholders of the Issuer) and to any other subordinated obligations expressed to be senior to the Notes, such as Senior Subordinated Obligations;

(ii) rank *pari passu* with any Ordinary Subordinated Obligations of the Issuer; and

(iii) rank prior to any *prêts participatifs* granted to the Issuer and any Deeply Subordinated Obligations of the Issuer.

Pursuant to Article L.931-22 of the French *Code de la sécurité sociale*, a lien (*privilège*) over the movable assets of the Issuer is granted for the benefit of the Issuer's policyholders. Noteholders, even if they are policyholders of the Issuer, do not have the benefit of such lien in relation to amounts due under the Notes.

In the event of incomplete payment of creditors ranking senior to holders of the Notes (in the context of voluntary or judicial liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer) the obligations of the Issuer in connection with the Notes and relative interest will be terminated.

For the purpose hereof:

"**APICIL Prudential Group**" means as of the Issue Date, the *société de groupe assurantiel de protection sociale* (SGAPS) APICIL combined perimeter and, if relevant in the future, the prudential group taken into account to assess compliance with certain applicable solvency margins or capital adequacy regulations at the group level.

"**Deeply Subordinated Obligations**" means any deeply subordinated obligations

(*obligations subordonnées de dernier rang*) or other instruments issued by the Issuer which rank, or are expressed to rank, *pari passu* among themselves and junior to the Ordinary Subordinated Obligations of the Issuer and any *prêts participatifs* granted to the Issuer. For the avoidance of doubt, the Issuer does not have any outstanding Deeply Subordinated Obligations as at the Issue Date.

"**Ordinary Subordinated Obligations**" means any subordinated obligations or other instruments issued by the Issuer which rank, or are expressed to rank*, pari passu* among themselves and with the Notes, and constitute direct, unconditional, unsecured and subordinated obligations of the Issuer (including the €150,000,000 fixed rate dated subordinated notes issued by the Issuer on 17 November 2015 - ISIN FR0013032315).

"**Senior Subordinated Obligations**" means any obligations which constitute direct, unsecured and subordinated obligations of the Issuer and which rank and will at all times rank (i) equally and rateably with any other existing or future Senior Subordinated Obligations, (ii) in priority to present and future Ordinary Subordinated Obligations, *prêts participatifs* granted to the Issuer and any Deeply Subordinated Obligations, and (iii) behind subordinated obligations expressed to rank senior to Senior Subordinated Obligations if any, and behind unsubordinated obligations.

Negative Pledge: None.

Events of Default: There will be no events of default in respect of 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, if an order is made or an effective resolution is passed for the liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer or the Issuer is liquidated for any other reason, in accordance with the provisions relating to the Status of the Notes, or the sale of the whole business (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure of the Issuer.

Interest Rate: The Notes shall bear interest on their Principal Amount from (and including) the Issue Date at a fixed interest rate of 4.00 per cent. *per annum* (the "**Interest Rate**") payable annually in arrears on each Interest Payment Date.

Interest Period: The period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

Interest Payment Date: 24 October in each year, commencing on 24 October 2020 to, and including, the due date for redemption.

Interest Payment: In respect of an Interest Payment Date, the amount of interest payable for the relevant Interest Period.

Interest Deferral: On each Interest Payment Date, the Issuer shall pay interest on the Notes accrued to that date in respect of the Interest Period ending immediately prior to such Interest Payment Date, subject to the provisions below.

On any Mandatory Interest Deferral Date, the Issuer will be obliged to defer payment of all (but not some only) the interest accrued (and, if relevant, any

Arrears of Interest) in respect of the Notes during the relevant Interest Period and any such failure to pay shall not constitute a default by the Issuer for any purpose.

Any interest in respect of the Notes which has not been paid on a Mandatory Interest Deferral Date will be deferred, shall constitute arrears of interest (the "**Arrears of Interest**") and shall be payable as outlined below.

All Arrears of Interest in respect of all Notes for the time being outstanding shall become due in full on whichever is the earliest of:

(i) the next Interest Payment Date which is a Compulsory Interest Payment Date;

(ii) the date of any redemption of the Notes in accordance with the provisions relating to redemption of the Notes; or

(iii) the date upon which a judgment is made for the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer or the Issuer is liquidated for any other reason or the sale of the whole of the business (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure of the Issuer.

For the purpose hereof:

"**Compulsory Interest Payment Date**" means each Interest Payment Date which is not a Mandatory Interest Deferral Date.

"**Mandatory Interest Deferral Date**" means each Interest Payment Date in respect of which the Fiscal Agent has received written notice from the Issuer confirming that (i) a Regulatory Deficiency has occurred and such Regulatory Deficiency is continuing on such Interest Payment Date or (ii) the Interest Payment (and, if relevant, any Arrears of Interest) would itself cause a Regulatory Deficiency, provided, however, that the relevant Interest Payment Date will not be a Mandatory Interest Deferral Date in relation to such Interest Payment (or such part thereof) if:

(i) the Relevant Supervisory Authority has exceptionally waived the deferral of such Interest Payment (and, if relevant, any Arrears of Interest) to the extent the Relevant Supervisory Authority can give such waiver in accordance with the Solvency II Regulations as applicable;

(ii) paying the Interest Payment (and, if relevant, any Arrears of Interest) does not further weaken the solvency position of the Issuer and/or the APICIL Prudential Group as determined in accordance with the Solvency II Regulations as applicable; and

(iii) the Minimum Capital Requirement will be complied with immediately after the Interest Payment (and, if relevant, any Arrears of Interest) is made.

"**Minimum Capital Requirement**" means (i) the Minimum Capital Requirement of the Issuer and/or any member of the APICIL Prudential Group and/or (ii) the minimum consolidated group Solvency Capital Requirement of the APICIL Prudential Group (as applicable) within the meaning of the Solvency II Directive and the Solvency II Regulations.

"**Prior Approval of the Relevant Supervisory Authority**" means the prior written approval of the Relevant Supervisory Authority, if such approval is required at the time under any Solvency II Regulations.

"**Regulatory Deficiency**" means:

(i) (a) for the purposes of a Mandatory Interest Deferral Date only, the own funds regulatory capital (or whatever the terminology employed by Solvency II Regulations) of the Issuer and/or the APICIL Prudential Group is not sufficient to cover its Solvency Capital Requirement or its Minimum Capital Requirement (or whatever the terminology employed by Solvency II Regulations) whichever occurs earlier, or (b) for the purposes of Condition 6.7 (*Conditions to Redemption and Purchase*) only, the own funds regulatory capital (or whatever the terminology employed by Solvency II Regulations) of the Issuer, any member of the APICIL Prudential Group and/or the APICIL Prudential Group is not sufficient to cover its Solvency Capital Requirement or its Minimum Capital Requirement (or whatever the terminology employed by Solvency II Regulations) whichever occurs earlier;

(ii) the Relevant Supervisory Authority has notified the Issuer that it has determined, in view of the financial condition of the Issuer and/or the APICIL Prudential Group, that in accordance with applicable regulations at such time, the Issuer shall not proceed to the redemption or purchase of the Notes; or

(iii) the Issuer admits it is or is declared unable to meet its liabilities as they fall due with its immediately disposable assets (*cessation des paiements*).

"**Relevant Supervisory Authority**" means any relevant regulator having jurisdiction over the Issuer and/or APICIL Prudential Group, in the event that the Issuer is required to comply with certain applicable solvency margins or capital adequacy regulations or any other regulatory capital rules. As at the Issue Date, the Relevant Supervisory Authority is the *Autorité de contrôle prudentiel et de résolution* (ACPR).

"**Solvency Capital Requirement**" means the Solvency Capital Requirement of the Issuer, any member of the APICIL Prudential Group and/or the APICIL Prudential Group (as applicable) within the meaning of the Solvency II Directive and the Solvency II Regulations.

"**Solvency II Directive**" means Directive 2009/138/EC of the European Union of November 25, 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), which has been transposed under French law by the ordinance (*ordonnance*) n°2015-378 dated 2 April 2015 completed by the decree (*décret*) no. 2015-513 dated 7 May 2015 and an order (*arrêté*) of the same date (or, if the Issuer becomes domiciled in a jurisdiction other than France, which must be transposed by member states of the European Economic Area pursuant to Article 309 of Directive 2009/138/EC (as amended or, as the case may be, supplemented)), as amended from time to time.

"**Solvency II Regulations**" means the solvency margin, capital adequacy regulations or any other regulatory capital rules which are applicable in France (or if the Issuer becomes domiciled in a jurisdiction other than France, such other

jurisdiction), including the Solvency II Directive (and any laws or regulations implementing the Solvency II Directive, in particular the French ordinance (*ordonnance*) No. 2015-378 dated 2 April 2015 completed by the decree (*décret*) no. 2015-513 dated 7 May 2015 and an order (*arrêté*) of the same date) and the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, as amended from time to time and as applied and construed by the Relevant Supervisory Authority or an official application or interpretation of those regulations including a decision of a court or tribunal and applicable to the Issuer and/or the APICIL Prudential Group, which would lay down the requirements to be fulfilled by financial instruments for inclusion into their own funds regulatory capital (or whatever the terminology that may be retained).

Compulsory Interest Payments: The Issuer shall, on each Compulsory Interest Payment Date, pay interest in respect of the Notes accrued to that date in respect of the Interest Period ending on such Compulsory Interest Payment Date, together with all Arrears of Interest at such time.

Taxation: All payments of principal and interests by, or on behalf of, the Issuer 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 French law or regulation should require any such deduction or withholding in respect of the Notes and provided a Redemption Alignment Event has occurred and is continuing, the Issuer shall, to the extent then permitted by law, pay such additional amounts ("**Additional Amounts**") as may be necessary so that each Noteholder, after such deduction or withholding, receives the full amount then due and payable on each Note in the absence of such deduction or withholding, provided however that no such Additional Amounts shall be payable with respect to any Note in some circumstances.

Redemption at Maturity: Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at their Redemption Amount, on the Scheduled Maturity Date, subject to the satisfaction of the Conditions to Redemption and Purchase (as defined below).

Redemption for Tax Reasons:

(a) If by reason of any change in, or amendments to, the laws or regulations of the French Republic, or any political subdivision therein or any authority thereof or therein having power to tax, or any change in the official application or interpretation of such laws or regulations, in each case becoming effective on or 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 (a "**Tax Deductibility Event**"), the Issuer may, at its sole discretion, subject to the Conditions to Redemption and Purchase and to having given not more than forty five (45) nor less than thirty (30) days' prior notice to the Noteholders (which notice shall be irrevocable), elect to redeem all, but not some only, of the Notes then outstanding at their Redemption Amount, provided that the effective date of any redemption of which an election hereunder may be given by the Issuer 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.

(b) If by reason of any change in, or amendments to, the laws or regulations of the French Republic, or any political subdivision therein or any authority thereof or therein having power to tax, or any change in the official application or interpretation of such laws or regulations, in each case becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment due under the Notes, not be able to make such payment without having to pay Additional Amounts (a "**Gross-up Event**"), the Issuer may, at its sole discretion, subject to the Conditions to Redemption and Purchase and to having given not more than forty five (45) nor less than thirty (30) days' prior notice to the Noteholders (which notice shall be irrevocable), redeem all, but not some only, of the Notes then outstanding at their Redemption Amount, provided that the effective date of redemption of which an election hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without having to pay Additional Amounts or, if such date has passed, as soon as practicable thereafter.

(c) If the Issuer would on the next payment due under the Notes be prevented by French law or regulation from making payment to the Noteholders of the full amount then due and payable (including any Additional Amounts which would be payable but for the operation of such French law)(a "**Withholding Tax Event**"), then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer may, upon giving not less than seven (7) days' prior notice to the Noteholders (which notice shall be irrevocable), redeem all, but not some only, of the Notes then outstanding at their Redemption Amount on the effective date of any such law or regulation or within sixty (60) calendar days following the effective date of any such law or regulation.

For the purpose hereof:

"**Redemption Amount**" equals to the Principal Amount of the Notes and any accrued and unpaid interest and any Arrears of Interest (including any Additional Interest Amounts thereon) up to their due date for redemption.

"**Tax Event**" means any of Tax Deductibility Event, a Gross-up Event, or a Withholding Tax Event, each as defined above.

Redemption following a Capital Disqualification Event:

If the Issuer determines that a Capital Disqualification Event has occurred with respect to the Notes on or after the Issue Date, the Notes may be redeemed in whole but not in part at the option of the Issuer, at their Redemption Amount, subject to the Conditions to Redemption and Purchase and to having given no more than sixty (60) nor less than thirty (30) days' prior notice to the Noteholders (which notice shall be irrevocable), provided that the due date for redemption shall be no earlier than the date of the Capital Disqualification Event.

For the purpose hereof:

"**Capital Disqualification Event**" means that, at any time whilst any of the Notes are outstanding, (i) the Issuer is subject to regulatory supervision by the Relevant Supervisory Authority, and (ii) the Issuer is no longer permitted to treat the proceeds of the Notes, in whole or in part, as eligible (x) for the purpose of

the determination of its solvency margin or capital adequacy levels under the Existing Regulations or, as the case may be, Solvency II Regulations or (y) as at least tier two own funds regulatory capital (or whatever the terminology employed by Existing Regulations or, as the case may be, Solvency II Regulations) for the purposes of the determination of its regulatory capital under Existing Regulations or, as the case may be, Solvency II Regulations, except, in each case, as a result of the application of the limits on inclusion (on a solo or group-level basis) of such securities in, respectively, its solvency margin or own funds regulatory capital, as the case may be.

Clean-up Redemption: The Issuer may elect, to redeem all, but not some only, of the Notes outstanding, subject to the Conditions to Redemption and Purchase, at their Redemption Amount if eighty per cent. (80%) or more in aggregate Principal Amount of the Notes issued on the Issue Date (and, if applicable, on the relevant issue date(s) of any further notes issued) has been redeemed or purchased and cancelled at the time of such election.

Purchases: The Issuer, or any subsidiary of the Issuer, may purchase any Notes for cash consideration or otherwise (including, without limitation, by means of exchange) in the open market or otherwise, at any price and on any conditions, in accordance with any applicable laws and regulations and subject to the Conditions to Redemption and Purchase. All Notes so purchased by, or on behalf of, the Issuer may at its sole discretion (i) be held and resold in accordance with French laws and regulations or (ii) be cancelled.

Cancellation: All Notes which are redeemed or purchased for cancellation by the Issuer shall be cancelled by transfer on an account in accordance with the rules and procedures of Euroclear France. 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.

Conditions to Redemption and Purchase: The Notes may not be redeemed or purchased, including on the Scheduled Maturity Date, if (i) a Regulatory Deficiency has occurred and is continuing on the due date for redemption or (ii) such redemption or purchase would itself cause a Regulatory Deficiency, except if (a) the Relevant Supervisory Authority has exceptionally waived the suspension of redemption or purchase, (b) the Notes have been exchanged for or converted into another basic own-fund item of at least the same quality and (c) the Minimum Capital Requirement is complied with after the redemption or purchase or (iii) the Prior Approval of the Relevant Supervisory Authority has not been obtained by the Issuer (the "**Conditions to Redemption and Purchase**").

If the Conditions to Redemption and Purchase are not satisfied on the Scheduled Maturity Date, or if it is anticipated that the Conditions to Redemption and Purchase will not be satisfied on the Scheduled Maturity Date, the Issuer shall notify the absence of redemption on the Scheduled Maturity Date as soon as practicable to the Noteholders, provided however that such a notification shall not constitute a condition to such non-redemption.

The Notes may not be redeemed following a Tax Deductibility Event, a Withholding Tax Event, a Capital Disqualification Event or if the conditions for a clean-up call are satisfied, or purchased, prior to the fifth anniversary of the Issue Date, unless (but only if and to the extent so required or otherwise as provided by the Solvency II Regulations at the time of such redemption or purchase) the redemption or purchase has/have been funded out of the proceeds

of a new issuance of own funds capital of the same or higher quality as the Notes.

Except in circumstances where a Redemption Alignment Event has occurred, the Notes may not be redeemed following a Gross-up Event prior to their tenth anniversary, unless (but only if and to the extent so required or otherwise as provided by the Solvency II Regulations at the time of such redemption or purchase) the relevant redeemed Notes are replaced by other own funds regulatory capital of at least the same quality. If a Redemption Alignment Event has occurred, the Notes may not be redeemed following a Gross-up Event prior to their fifth anniversary, unless the relevant redeemed Notes are replaced by other own funds regulatory capital of at least the same quality (but only if and to the extent so required or otherwise as provided by the Solvency II Regulations at the time of such redemption or purchase).

In addition, any redemption or purchase of the Notes is subject to the conditions that (i) no Insolvent Insurance Affiliate Winding-up has occurred and is continuing on the date due for redemption or purchase and (ii) no member of the Apicil Prudential Group is bankrupt (*en état de faillite*).

For the purpose hereof:

"**Insolvent Insurance Affiliate Winding-up**" means:

(i) the winding-up of any Insurance Undertaking or any Reinsurance Undertaking within the APICIL Prudential Group; or

(ii) the appointment of an administrator of any Insurance Undertaking or any Reinsurance Undertaking within the APICIL Prudential Group,

in each case, where the Issuer has determined, acting reasonably and in consultation with the Relevant Supervisory Authority, that the assets of that Insurance Undertaking or that Reinsurance Undertaking within the APICIL Prudential Group may or will not be sufficient to meet all claims of the policyholders pursuant to a contract of insurance of that Insurance Undertaking or contract of reinsurance of that Reinsurance Undertaking which is subject to a winding-up or administration process (and for these purposes, the claims of policyholders pursuant to a contract of insurance or to a contract of reinsurance shall include all amounts to which policyholders are entitled under applicable legislation or rules relating to the winding-up of Insurance Undertakings or the winding-up of Reinsurance Undertaking that reflect any right to receive or expectation of receiving benefits which policyholders may have).

"**Insurance Undertaking**" has the meaning ascribed to it in the Solvency II Directive.

"**Redemption Alignment Event**" will be deemed to have occurred if at any time prior to the tenth anniversary of the Notes, the Issuer determines, in consultation with the Relevant Supervisory Authority, that the option to redeem the Notes from their fifth anniversary following a Gross-up Event without such redeemed Notes being required to be replaced by other own funds regulatory capital of at least the same quality, would not cause the Notes to no longer fulfil the requirements in order to be treated, for the purposes of the determination of the Issuer's and/or the APICIL Prudential Group's regulatory capital under the Solvency II Regulations as tier two own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the Solvency II

	Regulations). "**Reinsurance Undertaking**" has the meaning ascribed to it in the Solvency II Directive.
Representation of Noteholders:	The Noteholders will be grouped automatically for the defence of their respective common interests in a *masse* governed by the provisions of the French *Code de commerce* subject to certain exceptions and provisions (the "**Masse**"). The Masse will be a separate legal entity, and will be acting in part through a representative and in part through a general assembly of the Noteholders.
Admission to trading:	Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market.
Clearing:	The Notes have been accepted for clearance though Euroclear France, Clearstream Banking, S.A. and Euroclear Bank S.A./N.V.
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.
Governing Law and Jurisdiction:	French law. Exclusive jurisdiction of the Commercial Court (*tribunal de commerce*) of Lyon.
Rating of the Notes:	The Notes are expected to be rated Baa2 by Moody's. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time.
Use of Proceeds:	The net proceeds of the issue of the Notes will be used for general corporate purposes.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents that have been filed with the Luxembourg Stock Exchange and shall be incorporated by reference in, and form part of, this Prospectus (together, the "**Documents Incorporated by Reference**"):

(a) the combined financial statements of the *société de groupe assurantiel de protection sociale* (SGAPS) APICIL for the year ended 31 December 2018 (*Comptes Combinés au 31 décembre 2018*) (the "**2018 Combined Financial Statements**") together with the statutory auditors' report with respect thereto, both in the French language;

(b) the combined financial statements of the *société de groupe assurantiel de protection sociale* (SGAPS) APICIL for the year ended 31 December 2017 (*Comptes Combinés au 31 décembre 2017*) (the "**2017 Combined Financial Statements**") together with the statutory auditors' report with respect thereto, both in the French language;

(c) the financial statements of the Issuer for the year ended 31 December 2018 (*Comptes annuels au 31 décembre 2018*) (the "**2018 Financial Statements**") together with the statutory auditors' report with respect thereto, both in the French language; and

(d) the financial statements of the Issuer for the year ended 31 December 2017 (*Comptes annuels au 31 décembre 2017*) (the "**2017 Financial Statements**") together with the statutory auditors' report with respect thereto, both in the French language.

All Documents Incorporated by Reference are available on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of the Issuer (www.apicil.com). The Documents Incorporated by Reference will also be available, upon request, free of charge to the public at the premises of the Fiscal Agent, of the Luxembourg Listing Agent and of the Issuer at the addresses specified on the last page of the Prospectus, during normal business hours.

Any statement contained in the Documents Incorporated by Reference 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.

Other than in relation to the documents which are deemed to be incorporated by reference, the information on the websites to which this Prospectus refers does not form part of this Prospectus.

CROSS-REFERENCE TABLE OF DOCUMENTS INCORPORATED BY REFERENCE

Financial Information concerning the APICIL Group's and the Issuer's Assets and Liabilities, Financial Position and Profits and Losses				
	2018 Combined Financial Statements	**2017 Combined Financial Statements**	**2018 Financial Statements**	**2017 Financial Statements**
Balance sheet	pages 3 and 4	pages 3 and 4	pages 6 to 8	pages 6 to 8
Income statement	pages 6 and 7	pages 6 and 7	pages 10 to 12	pages 10 to 12
Accounting policies and Explanatory notes	pages 8 to 43	pages 8 to 44	pages 14 to 42	pages 14 to 42

TERMS AND CONDITIONS OF THE NOTES

*The terms and conditions of the Notes (each a "**Condition**", and together the "**Conditions**") will be as follows:*

The issue of the €250,000,000 4.00 per cent. subordinated notes due 24 October 2029 (the "**Notes**") issued by APICIL Prévoyance, a French institution (*personne morale de droit privé à but non lucratif et administrée paritairement*) governed by Articles L.931-1 *et seq*. of the French *Code de la sécurité sociale*, having its registered office at 38 rue Francois Peissel - 69300 Caluire et Cuire - France (the "**Issuer**") was decided by a resolution of the Board of Directors (*Conseil d'administration*) of the Issuer dated 19 September 2019, acting pursuant to a resolution of the General Meeting (*Assemblée Générale*) of the Issuer dated 19 September 2019.

A fiscal and paying agency agreement (the "**Agency Agreement**") dated as of 22 October 2019 has been entered into in relation to the Notes between the Issuer and BNP Paribas Securities Services, as fiscal agent and paying agent (together with any substitute fiscal agent, the "**Fiscal Agent**"). Copies of the Agency Agreement are available for inspection and obtainable, free of charge, on any weekday during usual business hours at the specified office of the Fiscal Agent.

1. DEFINITIONS

1.1 Definitions

For purposes of these Conditions, the following definitions shall apply:

"**Account Holder**" shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream**").

"**Actual/Actual (ICMA)**" means:

(i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Issue Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Interest Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the number of days in such Interest Period; or

(ii) in the case of Notes where the Accrual Period is longer than the Interest Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Interest Period in which the Accrual Period begins divided by the number of days in such Interest Period; and

(B) the number of days in such Accrual Period falling in the next Interest Period divided by the number of days in such Interest Period.

"**APICIL Prudential Group**" means as of the Issue Date, the *société de groupe assurantiel de protection sociale* (SGAPS) APICIL combined perimeter and, if relevant in the future, the prudential group taken into account to assess compliance with certain applicable solvency margins or capital adequacy regulations at the group level.

"**Arrears of Interest**" has the meaning ascribed to such term in Condition 4.2(b).

"**Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for business (including dealings in foreign exchanges and foreign currency deposits) in Paris and on which the TARGET System is operating.

"**Capital Disqualification Event**" means that, at any time whilst any of the Notes are outstanding, (i) the Issuer and/or APICIL Prudential Group are subject to regulatory supervision by the Relevant Supervisory Authority, and (ii) the Issuer and/or APICIL Prudential Group are no longer permitted to treat the proceeds of the Notes, in whole or in part, as eligible (x) for the purpose of the determination of its solvency margin or capital adequacy levels of the Issuer and/or APICIL Prudential Group under the Solvency II Regulations or (y) as at least tier two own funds regulatory capital (or whatever the terminology employed by Solvency II Regulations) for the purposes of the determination of the regulatory capital of the Issuer and/or APICIL Prudential Group under Solvency II Regulations, except, in each case, as a result of the application of the limits on inclusion (on a solo or group-level basis) of such securities in, respectively, its solvency margin or own funds regulatory capital, as the case may be.

"**Compulsory Interest Payment Date**" means each Interest Payment Date which is not a Mandatory Interest Deferral Date.

"**Conditions to Redemption and Purchase**" has the meaning ascribed to such term in Condition 6.7.

"**Deeply Subordinated Obligations**" means any deeply subordinated obligations (*obligations subordonnées de dernier rang*) or other instruments issued by the Issuer which rank, or are expressed to rank, *pari passu* among themselves and junior to the Ordinary Subordinated Obligations of the Issuer and any *prêts participatifs* granted to the Issuer. For the avoidance of doubt, the Issuer does not have any outstanding Deeply Subordinated Obligations as at the Issue Date.

"**Insolvent Insurance Affiliate Winding-up**" means:

(i) the winding-up of any Insurance Undertaking or any Reinsurance Undertaking within the APICIL Prudential Group; or

(ii) the appointment of an administrator of any Insurance Undertaking or any Reinsurance Undertaking within the APICIL Prudential Group,

in each case, where the Issuer has determined, acting reasonably and in consultation with the Relevant Supervisory Authority, that the assets of that Insurance Undertaking or that Reinsurance Undertaking within the APICIL Prudential Group may or will not be sufficient to meet all claims of the policyholders pursuant to a contract of insurance of that Insurance Undertaking or contract of reinsurance of that Reinsurance Undertaking which is subject to a winding-up or administration process (and for these purposes, the claims of policyholders pursuant to a contract of insurance or to a contract of reinsurance shall include all amounts to which policyholders are entitled under applicable legislation or rules relating to the winding-up of Insurance Undertakings or the winding-up of Reinsurance Undertaking that reflect any right to receive or expectation of receiving benefits which policyholders may have).

"**Insurance Undertaking**" has the meaning ascribed to it in the Solvency II Directive.

"**Interest Payment**" means, in respect of an Interest Payment Date, the amount of interest payable for the relevant Interest Period in accordance with Condition 4.

"**Interest Payment Date**" means 24 October in each year, commencing on 24 October 2020 to, and including, the due date for redemption.

"**Interest Period**" means the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period commencing on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"**Interest Rate**" has the meaning ascribed to such term in Condition 4.1.

"**Issue Date**" means 24 October 2019.

"**Mandatory Interest Deferral Date**" means each Interest Payment Date in respect of which the Fiscal Agent has received written notice from the Issuer confirming that (i) a Regulatory Deficiency has occurred and such Regulatory Deficiency is continuing on such Interest Payment Date or (ii) the Interest Payment (and, if relevant, any Arrears of Interest) would itself cause a Regulatory Deficiency, provided, however, that the relevant Interest Payment Date will not be a Mandatory Interest Deferral Date in relation to such Interest Payment (or such part thereof) if:

(i) the Relevant Supervisory Authority has exceptionally waived the deferral of such Interest Payment (and, if relevant, any Arrears of Interest) to the extent the Relevant Supervisory Authority can give such waiver in accordance with the Solvency II Regulations as applicable;

(ii) paying the Interest Payment (and, if relevant, any Arrears of Interest) does not further weaken the solvency position of the Issuer and/or the APICIL Prudential Group as determined in accordance with the Solvency II Regulations; and

(iii) the Minimum Capital Requirement will be complied with immediately after the Interest Payment (and, if relevant, any Arrears of Interest) is made.

"**Minimum Capital Requirement**" means (i) the Minimum Capital Requirement of the Issuer and/or any member of the APICIL Prudential Group and/or (ii) the minimum consolidated group Solvency Capital Requirement of the APICIL Prudential Group (as applicable) within the meaning of the Solvency II Directive and the Solvency II Regulations.

"**Noteholder**" means, on any given date, the person whose name appears in the account of the relevant Account Holder as being entitled to such Notes.

"**Ordinary Subordinated Obligations**" means any subordinated obligations or other instruments issued by the Issuer which rank, or are expressed to rank, *pari passu* among themselves and with the Notes, and constitute direct, unconditional, unsecured and subordinated obligations of the Issuer (including the €150,000,000 fixed rate dated subordinated notes issued by the Issuer on 17 November 2015 - ISIN FR0013032315).

"**Principal Amount**" means the principal amount of each Note being €100,000.

"**Prior Approval of the Relevant Supervisory Authority**" means the prior written approval of the Relevant Supervisory Authority, if such approval is required at the time under any applicable Solvency II Regulations.

"**Redemption Alignment Event**" will be deemed to have occurred if at any time prior to the tenth anniversary of the Notes, the Issuer determines, in consultation with the Relevant Supervisory Authority, that the option to redeem the Notes from their fifth anniversary following a Gross-up Event without such redeemed Notes being required to be replaced by other own funds regulatory capital of at least the same quality, would not cause the Notes to no longer fulfil the requirements in order to be treated, for the purposes of the determination of the Issuer's and/or the APICIL Prudential Group's regulatory capital under the Solvency II Regulations as tier two own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the Solvency II Regulations).

"**Redemption Amount** " means an amount in euros equals to the Principal Amount of the Notes and any accrued and unpaid interest and any Arrears of Interest up to their due date for redemption.

"**Regulatory Deficiency**" means:

(i) (a) for the purposes (i) of a Mandatory Interest Deferral Date only, the own funds regulatory capital (or whatever the terminology employed by Solvency II Regulations) of the Issuer and/or the APICIL Prudential Group is not sufficient to cover its Solvency Capital Requirement or its Minimum Capital Requirement (or whatever the terminology employed by Solvency II Regulations) whichever occurs earlier, or (b) for the purposes of Condition 6.7 (*Conditions to Redemption and Purchase*) only, the own funds regulatory capital (or whatever the terminology employed by Solvency II Regulations) of the Issuer, any member of the APICIL Prudential Group and/or the APICIL Prudential Group is not sufficient to cover its Solvency Capital Requirement or its Minimum Capital Requirement (or whatever the terminology employed by Solvency II Regulations) whichever occurs earlier;

(ii) the Relevant Supervisory Authority has notified the Issuer that it has determined, in view of the financial condition of the Issuer and/or the APICIL Prudential Group, that in accordance with applicable regulations at such time, the Issuer shall not proceed to the redemption or purchase of the Notes; or

(iii) the Issuer admits it is or is declared unable to meet its liabilities as they fall due with its immediately disposable assets (*cessation des paiements*).

"**Reinsurance Undertaking**" has the meaning ascribed to it in the Solvency II Directive.

"**Relevant Supervisory Authority**" means any relevant regulator having jurisdiction over the Issuer and/or APICIL Prudential Group, in the event that the Issuer is required to comply with certain applicable solvency margins or capital adequacy regulations or any other regulatory capital rules. As at the Issue Date, the Relevant Supervisory Authority is the *Autorité de contrôle prudentiel et de résolution* (ACPR).

"**Scheduled Maturity Date**" means 24 October 2029 or, if the Conditions to Redemption and Purchase are not satisfied on such date, such other date immediately thereafter on which the Conditions to Redemption and Purchase are so satisfied.

"**Senior Subordinated Obligations**" means any obligations which constitute direct, unsecured and subordinated obligations of the Issuer and which rank and will at all times rank (i) equally and rateably with any other existing or future Senior Subordinated Obligations, (ii) in priority to present and future Ordinary Subordinated Obligations, *prêts participatifs* granted to the Issuer and any Deeply Subordinated Obligations, and (iii) behind subordinated obligations expressed to rank senior to Senior Subordinated Obligations if any, and behind unsubordinated obligations.

"**Solvency Capital Requirement**" means the Solvency Capital Requirement of the Issuer, any member of the APICIL Prudential Group and/or the APICIL Prudential Group (as applicable) within the meaning of the Solvency II Directive and the Solvency II Regulations.

"**Solvency II Directive**" means Directive 2009/138/EC of the European Union of November 25, 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), which has been transposed under French law by the ordinance (*ordonnance*) n°2015-378 dated 2 April 2015 completed by the decree (*décret*) no. 2015-513 dated 7 May 2015 and an order (*arrêté*) of the same date (or, if the Issuer becomes domiciled in a jurisdiction other than France, which must be transposed by member states of the European Economic Area pursuant to Article 309 of Directive 2009/138/EC (as amended or, as the case may be, supplemented)), as amended from time to time.

"**Solvency II Regulations**" means the solvency margin, capital adequacy regulations or any other regulatory capital rules which are applicable in France (or if the Issuer becomes domiciled in a jurisdiction other than France, such other jurisdiction), including the Solvency II Directive (and any laws or regulations implementing the Solvency II Directive, in particular the French ordinance (*ordonnance*) No. 2015-378 dated 2 April 2015 completed by the decree (*décret*) no. 2015-513 dated 7 May 2015 and an order (*arrêté*) of the same date) and the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, as amended from time to time and as applied and construed by the Relevant Supervisory Authority or an official application or interpretation of those regulations including a decision of a court or tribunal and applicable to the Issuer and/or the APICIL Prudential Group, which would lay down the requirements to be fulfilled by financial instruments for inclusion into their own funds regulatory capital (or whatever the terminology that may be retained).

"**TARGET System**" means the Trans-European Automated Real-time Gross settlement Express Transfer system (TARGET2) or any succeeding system.

"**Tax Event**" means any of Tax Deductibility Event, a Gross-up Event, or a Withholding Tax Event, each as defined in Condition 6.2 below.

"**Waived Set-Off Rights**" means any and all rights of or claims of any Noteholder for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any such Note.

2. DENOMINATION, FORM AND TITLE OF THE NOTES

The Notes will be issued on the Issue Date in dematerialised bearer form (*au porteur*) in a denomination of €100,000 per Note. Title to the Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book-entries (*inscription en compte*) in the books of Account Holders. No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France, which shall credit the accounts of the Account Holders.

Title to the Notes shall be evidenced by entries in the books of the Account Holders and will pass upon, and transfer of Notes may only be effected through, registration of the transfer in such books. All sums due in respect of the Notes shall be paid by the Fiscal Agent on behalf of the Issuer to the Account Holders for the account of the relevant Noteholders.

3. STATUS OF THE NOTES

The Notes constitute Ordinary Subordinated Obligations of the Issuer. The subordination provisions of the Notes are governed by Article L.228-97 of the French *Code de commerce*.

The principal and interest (including any outstanding Arrears of Interest) on the Notes constitute direct, unconditional, unsecured and dated subordinated obligations of the Issuer and the Notes rank and will rank *pari passu* without any preference among themselves and with all other, present or future, Ordinary Subordinated Obligations of the Issuer, but prior to all, present or future, Deeply Subordinated Obligations and *prêts participatifs* granted to the Issuer.

Subject to applicable law, in the event of voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer or if the Issuer is liquidated for any other reason, the rights of Noteholders in respect of principal and interest (including any outstanding Arrears of Interest) under the Notes shall:

(i) be subordinated to the full payment of present and future unsubordinated creditors (including, without limitation, depositors and creditors whose claims arise under contracts entered into for the purposes of any liquidation and the claims of policyholders of the Issuer)

and to any other subordinated obligations expressed to be senior to the Notes, such as Senior Subordinated Obligations;

(ii) rank *pari passu* with any Ordinary Subordinated Obligations of the Issuer; and

(iii) rank prior to any *prêts participatifs* granted to the Issuer and any Deeply Subordinated Obligations of the Issuer.

Pursuant to Article L.931-22 of the French *Code de la sécurité sociale*, a lien (*privilège*) over the movable assets of the Issuer is granted for the benefit of the Issuer's policyholders. Noteholders, even if they are policyholders of the Issuer, do not have the benefit of such lien in relation to amounts due under the Notes.

In the event of incomplete payment of creditors ranking senior to holders of the Notes (in the context of voluntary or judicial liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer) the obligations of the Issuer in connection with the Notes and relative interest will be terminated.

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

4. INTEREST

4.1 Interest Rate

The Notes shall bear interest on their Principal Amount from (and including) the Issue Date at a fixed interest rate of 4.00 per cent. *per annum* (the "**Interest Rate**") payable annually in arrears on each Interest Payment Date.

The amount of interest payable on each Note and on each Interest Payment Date will be the product of the Principal Amount of such Note and the Interest Rate, multiplied by the Actual/Actual (ICMA) day count fraction and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards).

The Notes will cease to bear interest from and including the due date for redemption, unless payment of the principal in respect of the Notes is improperly withheld or refused on such date or unless default is otherwise made in respect of such payment. In such event, the Notes will continue to bear interest in accordance with this Condition 4 on their remaining unpaid amount (before judgment as well as after judgment) until the day (included) on which all sums due in respect of the Notes up to that day are received by or on behalf of the relevant Noteholders.

4.2 Interest Deferral

(a) General

On each Interest Payment Date, the Issuer shall pay interest on the Notes accrued to that date in respect of the Interest Period ending immediately prior to such Interest Payment Date, subject to the provisions below.

(b) Mandatory Deferral of Interest

On any Mandatory Interest Deferral Date, the Issuer will be obliged to defer payment of all (but not some only) the interest accrued (and, if relevant, any Arrears of Interest) in respect of the Notes during the relevant Interest Period and any such failure to pay shall not constitute a default by the Issuer for any purpose.

Any interest in respect of the Notes which has not been paid on a Mandatory Interest Deferral Date will be deferred, shall constitute arrears of interest (the "**Arrears of Interest**") and shall be payable as outlined below.

(c) Arrears of Interest

All Arrears of Interest in respect of all Notes for the time being outstanding shall become due in full on whichever is the earliest of:

(i) the next Interest Payment Date which is a Compulsory Interest Payment Date;

(ii) the date of any redemption of the Notes in accordance with the provisions relating to redemption of the Notes; or

(iii) the date upon which a judgment is made for the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer or the Issuer is liquidated for any other reason or the sale of the whole of the business (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure of the Issuer.

(d) Notice of Deferral and Payment of Arrears of Interest

If practicable under the circumstances, the Issuer will give not less than five (5) nor more than thirty (30) Business Days' prior notice to the Noteholders in accordance with Condition 9 of any deferral of interest under the Notes relating to a Mandatory Interest Deferral Date. This notice will not be a condition to the deferral of interest. Any delay or failure by the Issuer to give such notice shall not affect the deferral of interest in accordance with this Condition 4.2.

So long as the Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange and the rules of such stock exchange so require, notice of any such deferral shall also be given as soon as reasonably practicable to such stock exchange.

4.3 Compulsory Interest Payments

The Issuer shall, on each Compulsory Interest Payment Date, pay interest in respect of the Notes accrued to that date in respect of the Interest Period ending on such Compulsory Interest Payment Date, together with all Arrears of Interest at such time.

5. PAYMENTS

5.1 Method of Payment

Payments of principal and interest (including Arrears of Interest) in respect of the Notes will be made in Euros by credit or transfer to a Euro-denominated account (or any other account to which Euros may be credited or transferred) as specified by the beneficiary in a city where banks have access to the TARGET System. Such payments shall be made for the benefit of the Noteholders to the Account Holders and all payments validly made to such Account Holders shall be an effective discharge of the Issuer and the Fiscal Agent, as the case may be, in respect of such payment.

None of the Issuer or the Fiscal Agent shall be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to, or resulting from, the credit or transfer of Euros, or any currency conversion or rounding effect in connection with such payment being made in Euros.

Payments of principal and interest (including Arrears of Interest) in respect of the Notes will, in all cases, be made subject to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7. The Issuer (or a paying agent, if applicable) shall be permitted to make any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or an intergovernmental agreement between the United States of America and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement) and the Issuer will have no obligation to pay any additional amounts or otherwise indemnify a Noteholder for any withholding or deduction, notwithstanding any other provision in the Conditions.

5.2 Payments on Business Days

If the due date for payment of any amount of principal, interest (including Arrears of Interest) or other amounts in respect of any Note is not a Business Day, payment of the amount due shall not be made and credit or transfer instructions shall not be given in respect thereof until the next following Business Day and the Noteholders shall not be entitled to any interest or other sums in respect of such postponed payment.

5.3 Fiscal Agent

The name of the initial Fiscal Agent and its specified office are set forth below:

Fiscal Agent

BNP Paribas Securities Services
Les Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and/or appoint additional or other agents or approve any change in the office through which any such agent acts, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' prior notice to the Noteholders in accordance with Condition 9, provided that there will at all times be a Fiscal Agent having a specified office in a European city.

6. REDEMPTION AND PURCHASE

6.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as provided below, the Notes will be redeemed at their Redemption Amount, on the Scheduled Maturity Date, subject to Condition 6.7 below. The Issuer undertakes that, if as a result of Condition 6.7 below, the Notes may not be redeemed on the Scheduled Maturity Date, the Issuer will redeem the Notes as soon as practicable after Condition 6.7 has ceased to be an impediment to such redemption, and the Issuer will give notice to the Fiscal Agent and the Noteholders in accordance with Condition 9 stating the date fixed for redemption.

6.2 Redemption for Tax Reasons

(a) If by reason of any change in, or amendments to, the laws or regulations of the French Republic, or any political subdivision therein or any authority thereof or therein having power to tax, or any change in the official application or interpretation of such laws or regulations, in each case becoming effective on or 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 (a "**Tax Deductibility Event**"), the Issuer may, at its sole discretion, subject to the Conditions to Redemption and Purchase and to having given not more than forty five (45) nor less than thirty (30) days' prior notice to the Noteholders in accordance with Condition 9 (which notice shall be irrevocable), elect to redeem all, but not some only, of the Notes then outstanding at their Redemption Amount, provided that the effective date of any redemption of which an election hereunder may be given by the Issuer 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.

(b) If by reason of any change in, or amendments to, the laws or regulations of the French Republic, or any political subdivision therein or any authority thereof or therein having power to tax, or any change in the official application or interpretation of such laws or regulations, in each case becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment due under the Notes, not be able to make such payment without having to pay Additional Amounts (a "**Gross-up Event**"), the Issuer may, at its sole discretion, subject to the Conditions to Redemption and Purchase and to having given not more than forty five (45) nor less than thirty (30) days' prior notice to the Noteholders in accordance with Condition 9 (which notice shall be irrevocable), redeem all, but not some only, of the Notes then outstanding at their Redemption Amount, provided that the effective date of redemption of which an election hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without having to pay Additional Amounts or, if such date has passed, as soon as practicable thereafter.

(c) If the Issuer would on the next payment due under the Notes be prevented by French law or regulation from making payment to the Noteholders of the full amount then due and payable (including any Additional Amounts which would be payable but for the operation of such French law)(a "**Withholding Tax Event**"), then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer may, upon giving not less than seven (7) days' prior notice to the Noteholders in accordance with Condition 9 (which notice shall be irrevocable), redeem all, but not some only, of the Notes then outstanding at their Redemption Amount on the effective date of any such law or regulation or within sixty (60) calendar days following the effective date of any such law or regulation.

6.3 Redemption following a Capital Disqualification Event

If the Issuer determines that a Capital Disqualification Event has occurred with respect to the Notes on or after the Issue Date, the Notes may be redeemed in whole but not in part at the option of the Issuer at their Redemption Amount, subject to the Conditions to Redemption and Purchase and to having given not more than sixty (60) nor less than thirty (30) days' prior notice to the Noteholders in accordance with Condition 9 (which notice shall be irrevocable), provided that the due date for redemption shall be no earlier than the date of the Capital Disqualification Event.

6.4 Clean-up Redemption

The Issuer may, subject to having given not more than sixty (60) nor less than thirty (30) days' prior notice to the Noteholders in accordance with Condition 9 (which notice shall be irrevocable), elect to redeem all, but not some only, of the Notes outstanding, subject to the Conditions to Redemption and Purchase, at their Redemption Amount if eighty per cent. (80%) or more in aggregate Principal Amount of the Notes issued on the Issue Date (and, if applicable, on the relevant issue date(s) of any further notes issued pursuant to Condition 12 (*Further Issue*)) has been redeemed or purchased and cancelled at the time of such election.

6.5 Purchases

The Issuer, or any subsidiary of the Issuer, may purchase any Notes for cash consideration or otherwise (including, without limitation, by means of exchange) in the open market or otherwise, at any price and on any conditions, in accordance with any applicable laws and regulations and subject to the Conditions to Redemption and Purchase. All Notes so purchased by, or on behalf of, the Issuer may at its sole discretion (i) be held and resold in accordance with French laws and regulations or (ii) be cancelled.

6.6 Cancellation

All Notes which are redeemed or purchased for cancellation by the Issuer shall be cancelled by transfer on an account in accordance with the rules and procedures of Euroclear France. 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.

6.7 Conditions to Redemption and Purchase

The Notes may not be redeemed or purchased pursuant to any of the redemption or purchase provisions of this Condition 6, including on the Scheduled Maturity Date, if (i) a Regulatory Deficiency has occurred and is continuing on the due date for redemption or (ii) such redemption or purchase would itself cause a Regulatory Deficiency, except if (a) the Relevant Supervisory Authority has exceptionally waived the suspension of redemption or purchase, (b) the Notes have been exchanged for or converted into another basic own-fund item of at least the same quality and (c) the Minimum Capital Requirement is complied with after the redemption or purchase or (iii) the Prior Approval of the Relevant Supervisory Authority has not been obtained by the Issuer (the "**Conditions to Redemption and Purchase**").

If the Conditions to Redemption and Purchase are not satisfied on the Scheduled Maturity Date, or if it is anticipated that the Conditions to Redemption and Purchase will not be satisfied on the Scheduled Maturity Date, the Issuer shall notify the absence of redemption on the Scheduled Maturity Date pursuant to Condition 6.1 as soon as practicable to the Noteholders in accordance with Condition 9, provided however that such a notification shall not constitute a condition to such non-redemption.

The Notes may not be redeemed following a Tax Deductibility Event, a Withholding Tax Event, a Capital Disqualification Event or if the conditions for a clean-up call are satisfied, or purchased, prior to the fifth anniversary of the Issue Date, unless (but only if and to the extent so required or otherwise as provided by the Solvency II Regulations at the time of such redemption or purchase) the redemption or purchase has/have been funded out of the proceeds of a new issuance of own funds capital of the same or higher quality as the Notes.

Except in circumstances where a Redemption Alignment Event has occurred, the Notes may not be redeemed following a Gross-up Event prior to their tenth anniversary, unless (but only if and to the extent so required or otherwise as provided by the Solvency II Regulations at the time of such redemption or purchase) the relevant redeemed Notes are replaced by other own funds regulatory capital of at least the same quality. If a Redemption Alignment Event has occurred, the Notes may not be redeemed following a Gross-up Event prior to their fifth anniversary, unless the relevant redeemed Notes are replaced by other own funds regulatory capital of at least the same quality (but only if and to the extent so required or otherwise as provided by the Solvency II Regulations at the time of such redemption or purchase).

In addition, any redemption or purchase of the Notes is subject to the conditions that (i) no Insolvent Insurance Affiliate Winding-up has occurred and is continuing on the date due for redemption or purchase and (ii) no member of the Apicil Prudential Group is bankrupt (*en état de faillite*).

7. TAXATION

All payments of principal and interests by, or on behalf of, the Issuer 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 French law or regulation should require any such deduction or withholding in respect of the Notes and provided a Redemption Alignment Event has occurred and is continuing, the Issuer shall, to the extent then permitted by law, pay such additional amounts ("**Additional Amounts**") as may be necessary so that each Noteholder, after such deduction or withholding, receives the full amount then due and payable on each Note in the absence of such deduction or withholding, provided however that no such Additional Amounts shall be payable with respect to any Note, as the case may be in the following cases:

(i) to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, by reason of his having some connection with the Republic of France other than the mere holding of the Note; or

(ii) where such Additional Amounts are due in respect of any payment under the Notes and payable prior to the Relevant Date.

As used herein, the "**Relevant Date**" in relation to any Note means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Fiscal Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 9.

8. EVENTS OF DEFAULT

There will be no events of default in respect of 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, if an order is made or an effective resolution is passed for the liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer or the Issuer is liquidated for any other reason, in accordance with the provisions relating to the Status of the Notes, or the sale of the whole business (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure of the Issuer.

9. NOTICES

Notices required to be given to the Noteholders pursuant to these Conditions will be duly given if delivered to Euroclear France, Euroclear, Clearstream and/or any other clearing system through which the Notes are for the time being cleared, and, so long as the Notes are admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange and the rules of that stock exchange so require, on the Luxembourg Stock Exchange's website (www.bourse.lu).

10. PRESCRIPTION

Claims against the Issuer for the payment of principal and interest (including, for the avoidance of doubt, any Arrears of Interest) in respect of Notes will become void unless presented for payment

within a period of ten (10) years (in the case of the principal) and five (5) years (in the case of interest) from the appropriate relevant due date for payment thereof.

11. REPRESENTATION OF THE NOTEHOLDERS

11.1 The Masse

The Noteholders will be grouped automatically for the defence of their respective common interests in a *masse* (hereinafter referred to as the "**Masse**").

The Masse will be governed by the provisions of Articles L.228-46 *et seq.* of the French *Code de commerce* with the exception of Articles L.228-48, L. 228-55, L.228-59, L.228-65 II., R.228-61, R.228-63, R.228-67, R.228-69, R.228-79 and R.236-11 of the French *Code de commerce* and as supplemented by the conditions set forth below.

11.2 Legal Personality

The Masse will be a separate legal entity, by virtue of Article L.228-46 of the French *Code de commerce* acting in part through one (1) representative (the "**Representative**") and in part through collective decisions of the Noteholders (the "**Collective Decisions**").

The Masse alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue with respect to the Notes.

11.3 Representative

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

(i) the Issuer, the members of its Board of Directors, its *Directeurs Généraux*, its statutory auditors and its employees and their ascendants, descendants and spouses;

(ii) companies of which the Issuer possesses at least ten (10) per cent. of the share capital;

(iii) companies guaranteeing all or part of the obligations of the Issuer; and

(iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing a business in whatever capacity.

The initial Representative shall be:

MASSQUOTE S.A.S.U.
RCS 529 065 880 Nanterre
7bis rue de Neuilly
F-92110 Clichy

Mailing address :
33, rue Anna Jacquin
92100 Boulogne Billancourt
France
Represented by its Chairman

In the event of death, incapacity, retirement or revocation of the Representative, a replacement representative will be elected by a Collective Decision of Noteholders.

The Issuer shall pay to the Representative an amount of five hundred euros (€500) per year for its service, payable on the Interest Payment Date falling on, or nearest to 24 October of each year

during the issue, it being specified that the remuneration of the replacement Representative will only be due starting from the first day of his acting as Representative.

All interested parties will at all times have the right to obtain the name and the address of the Representative at the head office of the Issuer and at the specified office of the Fiscal Agent.

11.4 Powers of the Representative

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

All legal proceedings against the Noteholders or initiated by them in order to be justifiable, must be brought against the Representative or by it, and any legal proceedings which shall not be brought in accordance with this provision shall not be legally valid.

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

11.5 Collective Decisions

Collective Decisions are adopted either in a general meeting (the "**General Meeting**") or by consent following a written consultation (the "**Written Decision**").

In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Noteholder to participate in Collective Decisions will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder as of 0:00 Paris time, on the second (2nd) Business Day in Paris preceding the date set for the Collective Decision.

Collective Decisions must be published in accordance with Condition 11.9.

The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of the Notes.

11.6 General Meetings

General meetings of Noteholders may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth (1/30) of outstanding Notes may address to the Issuer and the Representative a demand for convocation of the general meeting; if such general meeting has not been convened within two (2) months from such demand, such Noteholders may commission one of themselves to petition the competent court in Lyon to appoint an agent who will call the meeting.

Meetings of a general meeting may deliberate validly on first convocation only if Noteholders present or represented hold at least one fifth (1/5) of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by the Noteholders attending such meeting or represented thereat.

Notice of the date, hour, place, agenda and quorum requirements of any meeting of a general meeting will be published as provided under Condition 9 not less than fifteen (15) calendar days prior to the date of the general meeting on first convocation and five (5) calendar days on second convocation.

Each Noteholder has the right to participate in meetings of the Masse in person or by proxy or by any other means of telecommunication allowing the participation of the Noteholders. Each Note carries the right to one vote.

11.7 Written Decisions

At the initiative of the Issuer or the Representative, Collective Decisions may also be taken by a Written Decision.

Such Written Decision shall be signed by or on behalf of Noteholders holding not less than 75 % of the Notes without having to comply with formalities and time limits referred to in Condition 11.6. Any such decision shall, for all purposes, have the same effect as a resolution passed at a General Meeting of such Noteholders. Such Written Decision may be contained in one document or in several documents in like form each signed by or on behalf of one or more of such Noteholders or may be given by way of electronic communication allowing the identification of Noteholders pursuant to Article L. 228-46-1 of the French *Code de commerce*, and shall be published in accordance with Condition 11.8.

11.8 Notice to Noteholders

Any notice to be given to Noteholders in accordance with this Condition 11 shall be given in accordance with Condition 9 (*Notices*).

11.9 Information to the Noteholders

Each Noteholder or representative thereof will have the right, during the (15) fifteen-calendar-day period preceding the holding of each meeting of a general meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the meeting, which will be available for inspection at the principal office of the Issuer, at the offices of the Fiscal Agent and at any other place specified in the notice of meeting.

11.10 Expenses

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

11.11 Exclusion of certain provisions of the French *Code de commerce*

The provisions of Article L.228-65 I. 1° et 4° of the French *Code de commerce* (respectively providing for a prior approval of the General Meeting of the Noteholders of any change in corporate purpose or form of the Issuer or of an issue of bonds benefiting from a security (*sûreté réelle*)) and the related provisions of the French *Code de commerce* shall not apply to the Notes.

12. FURTHER ISSUE

The Issuer may from time to time without the consent of the Noteholders issue further notes to be assimilated and form a single series (*assimilées*) with the Notes as regards their financial service, provided that such further notes and the Notes shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further notes shall provide for such assimilation. In the event of such assimilation, the Noteholders and the holders of any assimilated (*assimilées*) notes will for the defence of their common interests be grouped in a single Masse having legal personality.

13. WAIVER OF SET-OFF

No Noteholder may at any time exercise or claim any Waived Set-Off Rights against any right, claim, or liability the Issuer has or may have or acquire against such Noteholder, directly or indirectly, howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort or

any non-contractual obligations, in each case whether or not relating to the Notes) and each such Noteholder shall be deemed to have waived all Waived Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities.

For the avoidance of doubt, nothing in this Condition 13 is intended to provide or shall be construed as acknowledging any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any Noteholder but for this Condition 13.

14. GOVERNING LAW AND JURISDICTION

The Notes are governed by and shall be construed in accordance with the laws of the Republic of France.

Any action against the Issuer in connection with the Notes will be submitted to the exclusive jurisdiction of the Commercial Court (*Tribunal de commerce*) of Lyon.

USE OF PROCEEDS

The net proceeds of the issue of the Notes amount to €249,000,000 and will be used for general corporate purposes.

DESCRIPTION OF THE ISSUER AND THE APICIL GROUP

1. GENERAL DESCRIPTION OF THE ISSUER AND THE APICIL GROUP

1.1 GENERAL DESCRIPTION OF THE ISSUER

(a) Legal information

APICIL Prévoyance (the "**Issuer**" or "**APICIL Prévoyance**") is a French provident institution (*institution de prévoyance*) governed by Articles L.931-1 *et seq.* of the French *Code de la sécurité sociale*. As a consequence of its legal status, the Issuer is registered with, and supervised by, the French banking and insurance regulator, the *Autorité de Contrôle Prudentiel et de Résolution* ("**ACPR**"). As a French provident institution, the Issuer has no share capital.

The registered office of the Issuer is located at 38, rue François Peissel, 69300 Caluire et Cuire, France and its telephone number is +33(0)4 72 27 71 71.

The Issuer has been granted a licence by the ACPR to perform the following activities: accident insurance (branch 1), sickness insurance (branch 2), life insurance (branch 20), and insurance linked to investment funds (branch 22).

Its fiscal year ends on 31 December in each year.

(b) History

The Issuer was originally founded in 1938 by *entrepreneurs* based in the Lyon region (France) specialised in metallurgy. APICIL Prévoyance has existed in its current form since 2001 and is the result of a merger in 2001 of three French *institutions de prévoyance*: APICIL Arcil Prévoyance, the surviving institution (currently named APICIL Prévoyance), Upese Prévoyance and Igirel Prévoyance. On completion of the merger, Upese Prévoyance and Igirel Prévoyance were absorbed by the Issuer and their assets and liabilities were transferred to APICIL Prévoyance.

The APICIL Group's development has been characterised in recent years by strong growth supported by an active external growth policy focused mainly on its savings (*épargne et retraite supplémentaire*) business.

Since 2015, the Issuer has made the following acquisitions:

- 2015: Acquisition, from the British group Old Mutual, of the Luxembourg life insurance company Skandia Life, which has since become APICIL Life;
- 2016: Acquisition of the French activities of the British group Legal & General, which includes an insurance company positioned in savings (life insurance) but also in health and protection (*santé et prévoyance*), a bank and an asset management company;
- 2019: Acquisition, from the U.S. fund JC Flowers, of the holding company of the Luxembourg life insurance company The OneLife Company ("**OneLife**"), which specialises in life insurance and operates on a "freedom of services basis" in Europe.

(c) The Issuer is a member of the APICIL Group

The Issuer belongs to the APICIL Group (the "**APICIL Group**") which is a joint social protection group (*groupe paritaire de protection sociale*) comprising legal entities aimed at bringing together close and long-standing synergies in the field of social protection.

The APICIL Group set up the APICIL SGAPS (*société de groupe assurantiel de protection sociale*) in 2016 which is since 1 January 2017 the combining entity of the APICIL Group and financial solidarity ties have been established between the various members of the APICIL SGAPS, including the Issuer.

The Issuer remains the leading company within the APICIL SGAPS.

(d) Activities permitted by the by-laws

The main activities of the Issuer are in health, protection and retirement (*santé, prévoyance et retraite*).

Pursuant to Article 2 of its by-laws, the purpose of the Issuer consists in offering employees or former employees (and their families) of the Issuer's member employers coverage on:

- risks of mortality, harm to physical integrity, pregnancy, work disabilities or invalidities, and provides them with retirement plans, severance packages and other benefits; and

- physical injuries related to accidents and diseases.

(e) Main subsidiaries of the Issuer

External growth operations of the APICIL Group were carried out by APICIL Prévoyance, the combining entity of the APICIL Group, until 2016, when the APICIL SGAPS was set up. Since then, the APICIL SGAPS has been the combining entity of the APICIL Group.

As of the date of this Prospectus, the main subsidiaries of the Issuer are:

- ***APICIL Epargne*** (a company managing €3.9 billion of life savings assets as of 31 December 2018), specialising in life insurance, itself holding 100% of the life insurance company, APICIL Life (€1.8 billion of life savings assets, headquartered in Luxembourg). It collected €383 million in 2018, mainly from independent asset management advisers (*conseillers en gestion de patrimoine*), for an outstanding amount of assets under management[1] of €3.9 billion, including 23% in unit-linked (*unités de compte*);

- ***OneLife***, acquired on 2 January 2019 (100%), a life insurance company operating from Luxembourg on a "freedom to provide services" basis, and distributing life insurance policies in several European countries (Belgium, France, the United-Kingdom, Spain, Portugal, Scandinavia) which collected €563 million of premiums in 2018 for an outstanding amount of assets under management of €4.9 billion, including 98% in unit-linked (*unités de compte*);

- ***GRESHAM***, a life and non life insurance company (health insurance, disability, death and savings), having collected €368 million in life insurance premiums in 2018 for an outstanding amount of assets under management of €4.3 billion, 43% of which was in unit-linked (*unités de compte*). GRESHAM offers are marketed to 39,790 individual

[1] Assets under management is an operational business indicator not reflected in the APICIL Group's consolidated financial statements and corresponding to assets in portfolios marketed by the APICIL Group, whether the APICIL Group manages them, advises on them or delegates their management to an external manager. For each fund, assets under management are measured by multiplying the net asset value per unit (calculated by an external valuation agent in accordance with regulations in force) by the number of units/shares in issue.

customers exclusively through an in-house salaried salesforce of wealth advisers under the GRESHAM Private Banking brand. GRESHAM also has a health/ protection (*santé/prévoyance*) business;

- ***GRESHAM Banque***, private bank dedicated to support a savings business and offering a banking offer (securities account, discretionary management and lending) in addition to life insurance; and

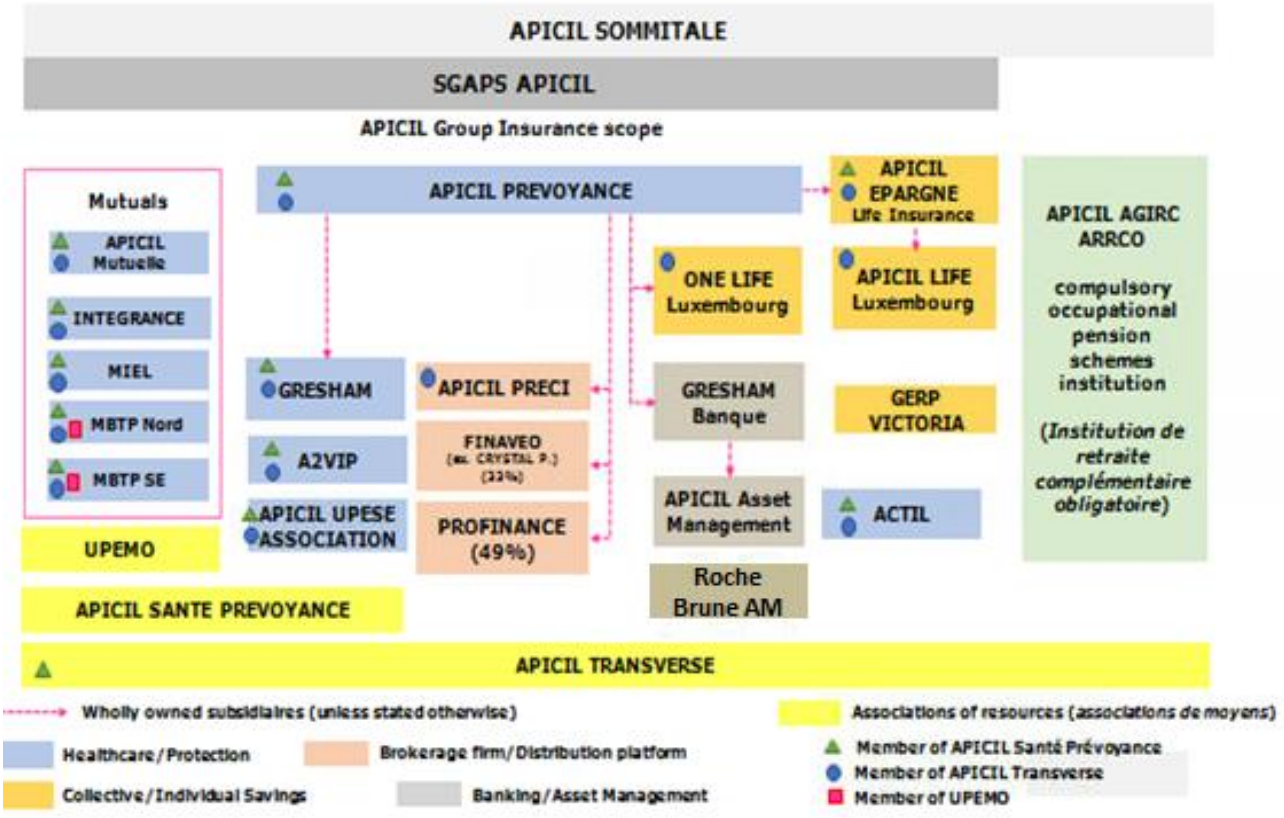
- ***APICIL Asset Management***, an asset management company managing assets on behalf of the APICIL Group as well as on behalf of third parties; APICIL Asset Management manages more than €10 billion in assets.

1.2 GENERAL DESCRIPTION OF THE APICIL GROUP

(a) Legal information

The APICIL Group is a paritarian social protection group (*groupe paritaire de protection sociale*) comprising legal entities aimed at bringing together tight and long-standing synergies in the field of social protection, active in life, health, death/disability insurance and savings on the one hand and in supplementary pension schemes on the other hand.

(b) Simplified organisational structure of the APICIL Group as of 1 July 2019



(c) APICIL Sommitale

APICIL Sommitale association ("**APICIL Sommitale**") is the supervising entity of the APICIL Group which supervises both the life and health insurance business of the APICIL Group as well as the APICIL AGIRC/ARRCO compulsory occupational pension schemes

(*retraite complémentaire*) (please refer to paragraph 2.1 below for further developments on the APICIL Group's activities).

In accordance with the *Accord national Interprofessionnel* (ANI) of 8 July 2009 on the governance of social protection groups, APICIL Sommitale does not carry out management activities and aims to:

- define the APICIL Group's strategic and political orientations in close collaboration with its members;
- ensure the quality of the APICIL Group's governance;
- ensure the safeguard of the material and moral interests of the APICIL AGIRC/ARRCO compulsory occupational pension schemes (*retraite complémentaire*); and
- supervise changes in the APICIL Group's scope of consolidation.

In accordance with the operating agreement entered into between APICIL Sommitale and the Issuer dated 30 June 2011, the Issuer is supervised by APICIL Sommitale.

(d) Description of the APICIL SGAPS

In the context of the implementation of directive 2009/138/EC of the European Parliament and of the Council dated 25 November 2009 as amended ("**Solvency II**"), French ordinance No. 2015-378 dated 2 April 2015 created two new legal forms of insurance and reinsurance groups: "*groupements assurantiels de protection sociale*", as defined by Article L.931-2-1 of the French *Code de la sécurité sociale*, and "*sociétés de groupe assurantiel de protection sociale*" ("**SGAPS**"), as defined by Article L.931-2-2 of the French *Code de la sécurité sociale*. APICIL SGAPS was created in the course of 2016.

The purpose of the APICIL SGAPS is in particular:

- to establish and manage strong and lasting financial solidarity ties between its members;
- define and implement the common strategy of the APICIL Group's life and health insurance business;
- establish the pricing policy, the risk taking and sharing policies of its members; and
- to exercise the power of control over the activities of its affiliated members.

The APICIL SGAPS is the body covering all the APICIL Group's healthcare (*santé*) / protection (*prévoyance*) / savings (*épargne et retraite supplémentaire*) / asset management (*gestion d'actifs*) activities, at the exclusion of the APICIL AGIRC/ARRCO compulsory occupational pension schemes (*retraite complémentaire*) activity which is not in the competitive environment (please refer to paragraph 2.1 below for further developments on the APICIL Group's activities).

The APICIL SGAPS, through its composition, also defines the insurance scope of the APICIL Group, i.e. the scope within which the APICIL Group's solvency level is assessed.

Finally, since 1 January 2017, the APICIL SGAPS is the combining entity of the APICIL Group for the combined financial statements as well as for tax consolidation (*intégration fiscale*) purposes.

(e) Members of the APICIL SGAPS

As at the date of this Prospectus, the members of the APICIL SGAPS are:

- APICIL Prévoyance;
- APICIL Mutuelle;
- Mutuelle MBTPSE;
- Mutuelle MBTP Nord;
- Mutuelle MIEL[2];
- Mutuelle INTEGRANCE; and
- A2VIP (provident institution).

The admission of new members or the withdrawal of members is only possible with the prior approval of the ACPR, which will assess the impact of member's arrival or withdrawal on the current and future solvency of the APICIL Group.

The subsidiaries of the Issuer are not direct members of the APICIL SGAPS but are included in the APICIL Group and its combined financial statements.

(f) Financial solidarity mechanism between the APICIL SGAPS' members

In accordance with Solvency II, where a dominant influence is exercised through centralised coordination, those undertakings should be supervised in accordance with the same rules as those provided for groups constituted through capital ties in order to achieve an adequate level of protection for policy holders and a level playing field between groups.

The ties between APICIL SGAPS and its direct members are manifested through formalised strong and sustainable relationships, based on contractual or other material form of recognition that guarantee financial solidarity between its members. Such arrangements provide for automatic solidarity mechanisms when a member's situation requires it. However, this solidarity is not unlimited and the contribution of a member in favour of another member pursuant to the financial solidarity mechanism cannot result in a breach of its own solvency requirements.

To ensure that no entity of APICIL SGAPS is insufficiently capitalised, the different levels of solidarity are as follows:

- *Prevention.* The APICIL SGAPS may require strengthening measures from members whose Solvency II ratio (excluding transitional measures) falls between 120% and 140%;

- *First level solidarity*

    - applies if the Solvency II ratio (excluding transitional measures) falls between 110% and 120%, with the objective to restore it to 140%;

    - solidarity would take the form of transfer of own funds / quasi own funds;

- *Second level solidarity*

    - applies (i) if the first level of solidarity has not led to a restoration of the Solvency II ratio above 140% (excluding transitional measures) and (ii) the Solvency II ratio (excluding transitional measures) falls below 110%, with the objective to restore it to 130%;

[2] Subject to on-going negotiation and to the prior approval of the ACPR, Mutuelle MIEL will leave the APICIL Group by the end of 2019.

- a member of the APICIL SGAPS is appointed to the board of directors of the relevant entity to ensure enforcement of the relevant measures;
- solidarity would take the form of transfer of own funds or liquidity.

- *Third level solidarity*
  - applies if (i) the first and second level of solidarity has not led to a restoration of the Solvency II ratio above 130% (excluding transitional measures) and (ii) the Solvency II ratio (excluding transitional measures) falls below 110%, with the objective to restore it to 130%;
  - each member will become a guarantor under the external private financing required by the relevant entities;
  - The issue will be raised at the board of directors of each entity;
  - A member of the APICIL SGAPS is appointed to the board of directors of the relevant entity and may require the transfer, sale or termination of a portfolio of activities.

(g) APICIL Group's guiding principles

The guiding principles (approved by APICIL Sommitale) that have governed the evolution of the APICIL Group's organisation are as follows:

- Organise each business around a legal entity that is the employer of all the employees directly concerned in the business, so that the distribution of the activity of a business within the group is not a factor that adds to operating methods;
- Improve the performance of each business line;
- Organisation into a customer-focused business unit;
- Support and management functions at the service of the business lines (pooling and synergies for everything that can be centralised for each business line, while taking into account the specificities of each business line); and
- Cost and expense control.

2. OVERVIEW OF THE APICIL GROUP'S ACTIVITIES

2.1 APICIL GROUP'S ACTIVITIES

The APICIL Group is focused on two business lines: (i) Healthcare (*santé*), Protection (*prévoyance*) and Savings (*épargne et retraite supplémentaire*) and (ii) compulsory occupational pension schemes (*retraite complémentaire*) for executives and salaried employees of the private sector, respectively, managed by APICIL AGIRC/ARRCO.

(a) Healthcare (*santé*), Protection (*prévoyance*) and Savings (*épargne et retraite supplémentaire*) activities

The APICIL Group covers a wide range of risks, including health, protection (*prévoyance*) (death, disability/invalidity) and savings (*épargne et retraite supplémentaire*), at a collective (corporate) or individual level, with a total turnover of €2.4 billion in 2018. In recent years, the APICIL Group has experienced a period of strong development, largely due to external

growth (please refer to paragraphs 1.1(b) and 4 for further developments on the APICIL Group's external growth) and the admission of new members within the APICIL SGAPS.

As of 31 December 2018, all business lines of the Issuer had 2.2 million clients (excluding management for the account of third parties), some of those clients having subscribed to offers on several of the Issuer's activities. The Healthcare and Protection segments combined 1,509,669 clients (excluding management for the account of third parties) in 2018, compared to 1,528,581 in 2017. On the savings (*épargne et retraite supplémentaire*) segment, the Issuer had 235,262 clients (excluding management for the account of third parties) in 2018, compared to 241,534 in 2017.

The APICIL Group's activities are divided into four main areas:

- **Healthcare (*santé*)** (coverage of medical expenses), which account for 42% of the APICIL Group's turnover, with a turnover of €1,016 million for the year ended 31 December 2018 (compared to €1,038 million for the year ended 31 December 2017). 64% of the turnover is generated from group healthcare plans and 36% from healthcare plans provided to individuals;

- **Protection (*prévoyance*)** (death/incapacity/invalidity), which account for 14% of the APICIL Group's turnover, with a turnover of €325 million for the year ended 31 December 2018 (compared to €324 million for the year ended 31 December 2017). 97% of the turnover is generated from group income protection plans;

- **Savings (*épargne et retraite supplémentaire*)**, in 2002, with the creation of the life insurance company APICIL Assurances (which changed its name to APICIL Epargne on 1 January 2019), the APICIL Group launched a life insurance activity with multi-support policies. This activity has experienced sustained internal and external growth since and accounted for 44% of the APICIL Group's turnover, with a turnover of €1,065 million for the year ended 31 December 2018 (compared to €1,007 million for the year ended 31 December 2017). 4% of the turnover is generated from group savings plans and 96% from savings plans provided to individuals. The total deposits as of 31 December 2018 was €11.8 billion, stable compare to 2017 despite the unfavourable context in the financial market; and

- **Bank/Asset Management**, in 2018, GRESHAM Asset Management became APICIL Asset Management, in charge of fund management for the entire APICIL Group. This new name of the portfolio management company reflects APICIL Group's desire to pursue its development in asset management while strengthening its positioning and visibility in this activity. APICIL Asset Management manages more than €10 billion in assets. In September 2018, APICIL Asset Management took over the management of a collective investment fund (*organisme de placements collectifs*) with more than €500 million of assets under management, corresponding to the investment of the long-term reserves of the APICIL AGIRC/ARRCO compulsory occupational pension schemes (*retraite complémentaire*). The diversified management (equities and bonds) of this mandate incorporates socially responsible investment (SRI) criteria.

Almost all of the APICIL Group's savings and financial services activities are carried out by APICIL Prévoyance or its direct or indirect subsidiaries, all of which are wholly owned (APICIL Epargne, APICIL Life, GRESHAM, GRESHAM Banque, APICIL Asset Management and OneLife).

(b) Compulsory occupational pension schemes (*retraite complémentaire*)

Following the merger of the APICIL AGIRC/ARRCO compulsory occupational pension schemes (*retraite complémentaire*) with effect as of 1 January 2019, the pension institutions of the APICIL Group, namely *AGIRA Retraite Cadres* (ARC) and *AGIRA Retraite Salariés* (ARS) have merged to become APICIL AGIRC/ARRCO. APICIL AGIRC/ARRCO manages compulsory occupational pension schemes (*retraite complémentaire*) for all employees in the private sectors of industry, commerce, services and agriculture in France.

In 2018, this business line represented more than €1.6 billion in contributions collected from 34,375 member companies.

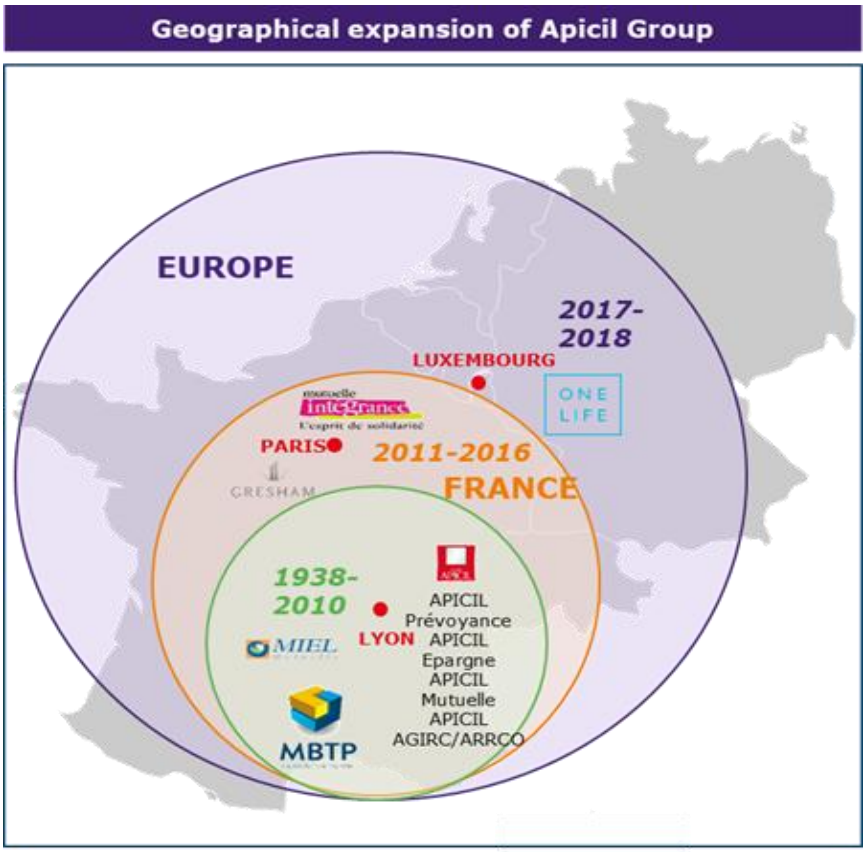
APICIL AGIRC/ARRCO is the only entity in the APICIL Group dedicated to the compulsory occupational pension schemes (*retraite complémentaire*) activity. This entity, which is excluded from the APICIL SGAPS scope, carries the objectives defined by the APICIL AGIRC/ARRCO Federation as specified in a contract of objectives.

The APICIL AGIRC/ARRCO compulsory occupational pension schemes (*retraite complémentaire*) activities are not in the competitive environment, are not supervised by APICIL SGAPS and as such are not included in the combined financial statement of the APICIL Group nor taken into account in the APICIL Group's solvency level. This activity is subject to separate consolidated financial statements established by the AGIRC and ARRCO Federation.

2.2 GEOGRAPHICAL EXPANSION OF THE APICIL GROUP

With a historical strong presence in the Rhône-Alpes region, the APICIL Group's expansion, first regionally and then nationally, has recently extended to the European Union, in particular through the Convergence Plan for 2016. The APICIL Group also intends to expand its activities internationally, which is part of the 2020 Challenges. For further developments on the 2020 Challenges plan, please refer to paragraph 5.2 (*APICIL Group's "2020 Challenges"*) below.

The geographical expansion of the APICIL Group from its creation until 2018 is as follows:



The Issuer conducts business both in metropolitan France and French overseas departments and territories. Subject to applicable laws and regulations, it can also conduct business in other EU Member States or in EEA Member States which are not EU Member States. As of the date of this Prospectus, the APICIL Group conducts activities in France and Luxembourg.

2.3 COMPETITIVE ENVIRONMENT OF THE APICIL GROUP

(a) Situation of the market:

(i) Health and protection (*santé et prévoyance*) (*sources: Argus de l'assurance / CTIP*[3] */ CMU*[4] */ FFA*[5])

The health and protection (*santé et prévoyance*) market grew slightly between 2017 and 2018 (2% for GPS[6], stable for provident institutions (*institutions de prévoyance*)).

The complementary health insurance (*complémentaire santé*) market is stagnant, with growth limited to 1% in 2018, according to figures from CMU (*Argus de l'assurance*). This stability is partly explained by past, on-going and future major reforms (such as the *100% Santé*) which are leading to a reduction in turnover and potentially of the margins. In addition, the consolidation of the sector continues, for

3 The CTIP (*Centre technique des institutions de prévoyance*) is a non-profit organisation representing 51 French provident institutions (*institutions de prévoyance*).

4 CMU (*Fonds de financement de la protection complémentaire de la couverture universelle du risque maladie*).

5 The FFA (*Fédération Française de l'Assurance*) is the French insurance federation which represents 280 insurance and reinsurance companies.

6 GPS (*Gestion Prestation Service*) is the mutual managing HCR Santé which specialises in health and protection (*santé et prévoyance*) for employees of hotels, bars and restaurants in France.

example with the major merger between Malakoff Médéric and Humanis which became effective on 1 January 2019.

The smaller protection (*prévoyance*) market grew more strongly in 2018 (3.7% according to the FFA), driven by the income protection for individuals (*prévoyance individuelle*) market. However, at the same time, disability and invalidity benefits paid increased by more than 7%, leading to the profit deterioration of this business.

In this context, the APICIL Group is slightly behind the market. Recovery measures were decided in 2019 and are being implemented in order to ensure a lasting return to profitability for these two businesses.

(ii) Life insurance (*sources: ACPR and Argus de l'assurance*)

After a gloomy 2017, net premiums recovered strongly in 2018 to reach €20.1 billion. Gross premiums reached €123 billion, while redemptions, which had increased considerably in 2017 (mainly due to redemption of euro funds (*fonds euros*)), returned to normal.

The market is highly concentrated with 89% of premiums collected by 20 organisations and 61% by 6 major bancassurance groups.

Inflows in unit-linked slowed and those of euro funds (*fonds euros*) rose again in 2018 compared to 2017, mainly for bancassurers.

The APICIL Group's gross inflows in savings and financial services grew faster than the market in 2018 (€1.1 billion). In life insurance, its unit-linked rate remains very high (44.3% of the new premiums and 37.5% of existing life insurance), which is still well above the market average and places the APICIL Group among the main players in unit-linked insurance. In early 2019, the share of unit-linked within the APICIL Group has been reinforced by the integration of OneLife which mainly concentrates on unit-linked.

(b) Situation of the APICIL Group:

The external growth operated by the APICIL Group places it among the four most important paritarian social protection groups (*groupes paritaires de protection sociale*) in France, with €4 billion of premiums and contributions collected in 2018 (*source: Argus de l'assurance, December 2018*). The APICIL Group considers itself as the first paritarian social protection group (*groupe paritaire de protection sociale*) in the Auvergne – Rhône-Alpes region.

In terms of business lines, in the field of social protection groups, the APICIL Group is one of the only groups to have experienced growth in the savings (*épargne et retraite supplémentaire*) sector, with nearly €1 billion in contributions (figures for 2017).

The APICIL Group has also improved its market positioning through the emergence of key accounts within its portfolio (such as Renault Trucks, Deloitte, Mauboussin, In Extenso, SEB, Descours & Cabaud, Leroy Merlin) in many different sectors.

The APICIL Group is ranked 12th on the 2018 Health (*santé*) Ranking in France (with approximately €1,005 million of direct business contributions in 2017), and 19th on the 2018 protection (*prévoyance*) Ranking in France (with approximately €297 million of direct business contributions in 2017).

On the French health and protection (*santé et prévoyance*) markets, the development strategy of the APICIL Group allowed it to progress from rank 19th in 2013, to rank 13rd in 2017, and the Group is now among the Top 15 market participants (2.31% of market share in 2017).

2.4 APICIL GROUP'S MAIN BRANDS

The main brands of the APICIL Group and their fields of activity are the following:

- APICIL Prévoyance: provident association (*institution de prévoyance*), specialised in collective insurance in health, protection and pension;

- APICIL Mutuelle: national mutual in all segments, leader in Auvergne Rhône-Alpes and bearer of individual income protection risks;

- Mutuelle MBTP: mutual specialising in the collective social protection of employees in the construction industry and affiliated sectors;

- APICIL Epargne: life insurance company specialised in savings (*épargne et retraite supplémentaire*) activities;

- GRESHAM: insurer specialising in companies' social protection offered through an in-house salaried salesforce of wealth advisors and supporting all types of client through brokerage for social protection. It also has a health/ protection (*santé/prévoyance*) activity;

- Mutuelle MIEL: mutual located in the *Loire* region that addresses all segments. It is positioned among major retailers;

- Mutuelle INTEGRANCE: mutual specialising in the field of disability, the health and medico-social sector directly; and

- A2VIP: pension and inter-professional life insurance provident institution operated by APICIL Transverse, in partnership with Allianz, specialised in the collective sector.

2.5 APICIL GROUP'S MARKET POSITIONING

The APICIL Group's market positioning is based on three main pillars:

- Collective and individual health solutions: compulsory or optional health supplements, modular health supplements adapted to different needs, standard health supplements and sectoral or conventional offers dedicated to certain sectors of activity;

- Collective and individual protection solutions: death insurance, work disability or invalidity, funeral expenses, hospitalisation benefits and sectoral or conventional offers dedicated to certain sectors of activity; and

- Services: listening service for advice and guidance and health assistance, support for return to work following a work stoppage, occupational health programme "*Ambition santé*" (diagnosis and action plan) and service offering "*Performance sociale*".

2.6 APICIL GROUP'S ISO CERTIFICATIONS

In order to effectively manage its operational risk the APICIL Group has set up information technology management tools which have received the following certifications:

- ISO 9001 for its quality management system. This certification is based on a number of quality management principles including a strong customer focus, the motivation and implication of top management, the process approach and continual improvement;

- ISO 27001 for its information security management system. An information security management system is a systematic approach to managing sensitive company information so that it remains secure. It includes people, processes and IT systems by applying a risk management process;

- ISO 18295 for its customer contact centres. This certification provides a framework for customer contact centres that aims to assist in providing clients and customers with services that continuously and proactively meet or exceed their needs; and

- ISO 20000 for its service management system. This certification provides requirements for an organization to establish, implement, maintain and continually improve a service management system.

2.7 CORPORATE SOCIAL RESPONSIBILITY

As at the date of this Prospectus, the APICIL Group has been assigned an environmental, social and governance (ESG) score of 54/100 by Vigéo Eiris.

As at 31 December 2018, the APICIL Group commitment to social responsibility has also led to dedicating approximately €16 million to philanthropy.

2.8 FOCUS ON APICIL SGAPS' BUSINESS GROWTH

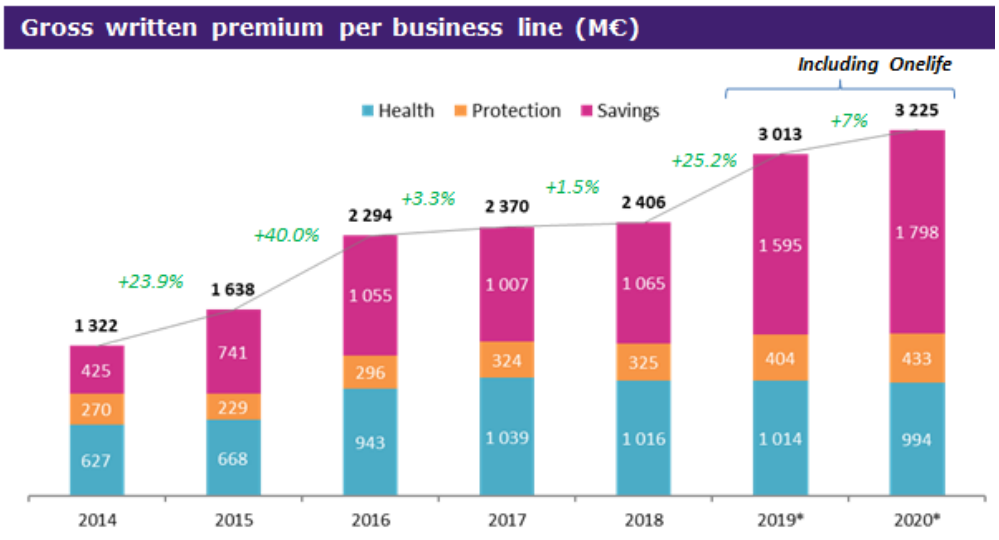
- Since 2015, the APICIL SGAPS has significantly grown on its two main business lines via organic and external growth, outpacing other paritarian social protection groups (*groupes paritaires de protection sociale*) in term of growth.

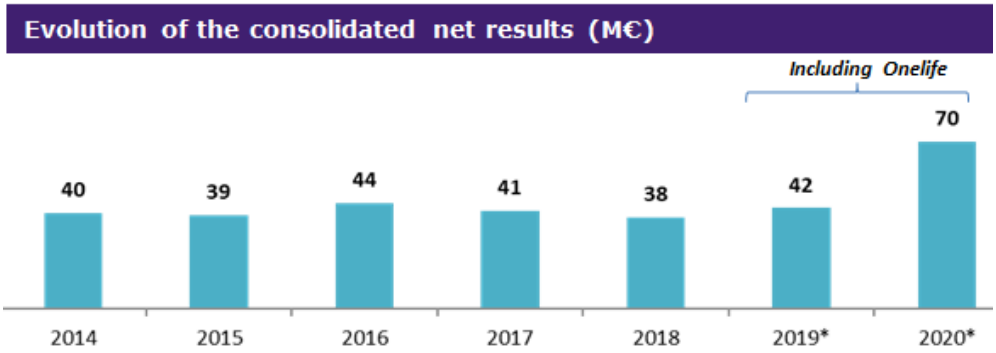
- In 2018, the financial results have been impacted by the increase in work disability and sick leave claims, but remain overall in line with previous years thanks to exceptional items (real estate capital gain, premium reserve released following termination of free health cover benefits).

- In 2019, the financial results are expected to increase due to (i) the integration of OneLife and (ii) technical recoveries from the protection renewals in 2019, despite the impact of the environment of low interest rates.

- In 2020, health and protection (*santé et prévoyance*) renewals, as well as intended cost cutting measures, are expected to lead to a significant increase in consolidated net results.

The tables below present (i) the evolution of gross written premium per business line (in million euros) and (ii) the evolution of the consolidated net results (in million euros), from 2014 to 2018, as well as the expected evolution for 2019 and 2020:





** The outlook relating to the 2019 and 2020 (i) gross written premium per business line and (ii) consolidated net results, presented above, are based on data, assumptions and estimates that the Issuer and APICIL SGAPS regarded as reasonable at the date of the Prospectus. Those data and assumptions may change or be adjusted as a result of uncertainties relating particularly to the economic, financial, competitive, regulatory or tax environment or as a result of other factors of which the Issuer and APICIL SGAPS were not aware on the date of the Prospectus. Moreover, the materialization of certain risks described the section entitled "Risk factors" may have an impact on the Issuer and APICIL SGAPS's activities, financial position, results or outlook and therefore threaten such outlook. As a result, the APICIL SGAPS makes no representation and gives no warranty regarding the attainment of the outlook set out above.*

3. GOVERNANCE, MANAGEMENT AND EMPLOYMENT

3.1 GOVERNANCE OF THE ISSUER

The governance of the Issuer is shared between:

- directors appointed by trade unions and employers' organisations (Board of Directors);
- the general management, chosen for its technical and managerial skills (effective managers); and
- the key functions in charge of specific prerogatives (actuarial, risk management, compliance and internal audit) who submit their work to the Board of Directors.

(a) Management

Pursuant to Article L.931-3 of the French *Code de la sécurité sociale*, the Issuer is comprised of two classes of member: (i) employers who have adhered to the Issuer or subscribed to one of its contracts and (ii) employees and former employees (and their families) of such employers.

General meetings of members are held on an annual basis and extraordinary meetings can be held pursuant to its by-laws. Those general meetings (*Assemblées Générales*) are equally comprised of representatives (*délégués*) of each class of members (employers and employees).

(b) Board of Directors

The Issuer is managed by a Board of Directors (*Conseil d'administration*), vested with full powers to act in all circumstances on behalf of the Issuer. It takes all measures necessary to implement the Issuer's purpose and to ensure that the Issuer complies at all times with the level of solvency margin applicable to it under existing regulations.

The Board of Directors comprises 30 directors, equally represented by each class of member of the Issuer (employers and employees).

The Board of Directors meets as often as the interests of the institution require, on convocation from its president (the "**President**") or vice-president (the "**Vice-President**") and, in any case, at least four times a year. The Board of Directors met six times in 2018.

The Board of Directors delegates to the management all powers necessary for the management of the Issuer within the limits of the Issuer's purposes and subject to any powers expressly attributed by law to General Meetings (*Assemblées Générales*) of the Issuer and the Board of Directors.

Every two years, the Board of Directors (*Conseil d'administration*) elects a president and a vice president. If the past President was an "employee" then the new President should be a member of the "employers" and *vice-versa* so that both categories of member are always represented.

Mandates held on the Board of Directors were renewed in June 2018, and at the first Board of Directors' meeting, APICIL Prévoyance elected Pierre BERGERET (college member - employers) as President, and Jean Pierre CARADIAT (participating college - employees) as Vice-President.

(c) Board of Directors' Committees

The Board of Directors is assisted by four specialised commissions and committees, comprising members of the Board of Directors:

- **Social Commission** – The Social Commission benefits from an independent budget allocated by the Board of Directors of the Issuer with a view to granting (i) APICIL Group aid to various institutions of its choice (hospitals, associations, charities, disabled hosting institutions) and (ii) individual aid to clients aimed at supporting additional health expense costs or emergency assistance costs. The commission meets at least on a quarterly basis and informs the Board of Directors on a yearly basis of the amount of aid granted and its specific nature. The Social Commission is comprised of ten full members elected by the directors from among themselves at the time of each change of President of the Board of Directors;

- **Financial Commission** – The Financial Commission is responsible for monitoring the implementation of the financial management policy defined by the APICIL SGAPS (with the exception of the APICIL AGIRC/ARRCO pensions which has its own financial commission), issuing recommendations and investment guidelines to the undertakings. It looks into the allocation of assets in various portfolios as well as strategic asset allocations and submits proposals to the Board of Directors of the Issuer with respect to such allocations. The Financial Commission also analyses the performance of the APICIL SGAPS and its combined perimeter on a quarterly basis and studies real estate or private equity investment proposals. The main decisions of the Financial Commission are reported to the SGAPS Risk Committee. Created at the APICIL Prévoyance level for all the APICIL Group's life and health insurance (*assurances de personnes*) activities (including for APICIL Epargne, APICIL Mutuelle, GRESHAM and APICIL Life) except for entities which have their own financial commission at their level (such as Mutuelle Intégrance and MBTP). This commission meets at least six times a year and includes amongst its members the President and Vice-President of the Issuer;

- **Audit Committee** – Created at the APICIL SGAPS level, the Audit Committee meets at least on a quarterly basis. The Audit Committee is in charge of supervising the establishment of the financial information from the APICIL SGAPS. It notably ensures the efficiency of internal control systems, that a proper audit of the financial statements is conducted by the statutory auditors and that such auditors remain at all times independent. The Audit Committee of the APICIL SGAPS is comprised of six members from the Board of Directors of the APICIL SGAPS and chosen from the representatives of APICIL Prévoyance and APICIL Mutuelle (the SGAPS president and vice-president are ineligible) and four independent members from the Board of Directors of affiliated entities; and

- **Risk Committee** – Created at the APICIL SGAPS level, this committee meets at least twice a year and includes amongst its members the president and vice-president of the Issuer. This committee is notably in charge of supervising the implementation of Solvency II regulations and the risk management procedures at the level of APICIL SGAPS.

3.2 GOVERNANCE OF THE APICIL GROUP

(a) Governance of the APICIL SGAPS

The board of the APICIL SGAPS is controlled by the Issuer and the SGAPS coordinates the activities of its affiliated entities and notably manages the financial ties between such

entities, all entities within the SGAPS being jointly liable. The main affiliate entities are APICIL Prévoyance and APICIL Mutuelle.

(i) Board of Directors (*Conseil d'Administration*)

The APICIL SGAPS is governed by a Board of Directors (*Conseil d'Administration*) of 22 members composed as follows:

- APICIL Prévoyance: 10 directors (*administrateurs*)
- APICIL Mutuelle: 4 directors (*administrateurs*)
- Mutuelle MIEL: 2 directors (*administrateurs*)
- MBTP SE: 1 director (*administrateur*)
- MBTP Nord: 1 director (*administrateur*)
- A2VIP: 2 directors (*administrateurs*)
- Mutuelle INTEGRANCE: 2 directors (*administrateurs*).

It should be noted that as from 31 December 2019, the Mutuelle MIEL will exit the SGAPS scope. On this date, the Board of Directors will therefore be reduced to 20 directors (*administrateurs*).

The joint chairmanship of the Board of Directors is currently held by Mr Jean-Pierre GITENAY (director of APICIL Prévoyance (*collège adhérents*)) and Mr Bernard FAUCHE (director of APICIL Prévoyance (*collège participants*)).

The chairman's vote shall be decisive in the event of a tie.

(ii) General Meetings (*Assemblées Générales*)

Each member is represented by its voting delegates.

The current distribution of votes is as follows:
- APICIL Prévoyance: 6,340 votes
- APICIL Mutuelle: 2,550 votes
- Mutuelle MIEL: 297 votes
- MBTP SE: 333 votes
- MBTP Nord: 69 votes
- A2VIP: 69 votes
- Mutuelle INTEGRANCE: 341 votes
- TOTAL: 9,999 votes.

(b) Effective managers of the APICIL Group

According to Solvency II, APICIL SGAPS appointed five effective managers, namely:

- ***Philippe BARRET***, Chief Executive Officer (*Directeur général*), he is also the effective manager of APICIL Mutuelle, APICIL Prévoyance and APICIL AGIRC/ARRCO, Chairman of the *Directoire* of APICIL Epargne and GRESHAM and Chairman of the Board of Directors of APICIL Life, GRESHAM and OneLife;

- ***Renaud CELIE***, Deputy Chief Executive Officer (*Directeur général délégué*), Savings and Financial Services. As an executive manager in charge of the savings business, he is also a member of the *Directoire* of APICIL Epargne and a director of APICIL Life and OneLife;

- ***Florence AURELLY***, Deputy Chief Executive Officer (*Directrice générale déléguée*), Chief Financial Officer (*Directrice financière*) and Performance, effective manager of

APICIL Prévoyance, APICIL Mutuelle and APICIL SGAPS and member of the *Directoire* of APICIL Epargne and GRESHAM;

- ***Thomas PERRIN****,* Deputy Chief Executive Officer *(Directeur général délégué)* Health and Protection *(santé et prévoyance)*. In his capacity as manager in charge of the health/pension business, he is also Deputy Chief Executive Officer (*Directeur général délégué*) of A2VIP and the effective manager of APICIL Mutuelle and APICIL Prévoyance; and

- ***Pascal PROTON****,* Deputy Chief Executive Officer *(Directeur général délégué)*. As an executive manager in charge of the AGIRC/ARRCO, he heads APICIL AGIRC/ARRCO.

Part of the APICIL Group's management and governance is operated by the SGAPS, as described above.

(c) APICIL Sommitale

The presidency of APICIL Sommitale is currently held by Mr Yves FOURNIER (director of APICIL AGIRC/ARRCO) and Mr Jean-Pierre GITENAY (director of APICIL Prévoyance).

3.3 KEY FUNCTIONS

In accordance with Solvency II, the Issuer's and the APICIL SGAPS's governance is organised around four key functions:

- **Compliance Function**, in charge of the implementation of conformity plans, monitoring regulatory and legal changes applicable to the Issuer, implementing charters and an ethics code, approving commercial documents, ensuring client protection, and pursuing anti-bribery and anti-money-laundering activities;

- **Risk Management Function**, notably in charge of supervising the management of risks and the implementation of internal control procedures, calculating Solvency II Pillar 1, assessing and drafting reports on internal risks and solvency and supervising information systems security;

- **Internal Audit Function**, notably in charge of submitting audit plans, implementing the recommendations made by the Audit Committee and reporting to it with respect thereto and assisting in risk management, control and corporate governance; and

- **Actuarial Function**, notably in charge of producing an actuarial review of reserves, identifying and analysing subscription risks, delivering opinions on the general subscription policy, analysing the efficiency of reinsurance policies and delivering opinions on reinsurance programmes.

APICIL Prévoyance has appointed the following four persons responsible of key functions:

Key functions	Date of appointment	Function
Risk management	09/04/2019	Laure Olie – Risk Director
Actuarial	09/04/2019	Sophie Décupère – Actuarial Function Director
Internal audit	31/03/2015	Jean Yves Parmantier – Internal Audit Director
Compliance	09/04/2019	Franck Vincens – Head of Legal and Compliance

The SGAPS has appointed the following four persons responsible of key functions:

Key functions	Date of appointment	Function
Risk management	11/03/2019	Laure Olie – Risk Director
Actuarial	11/03/2019	Sophie Décupère – Actuarial Function Director
Internal audit	09/11/2016	Jean Yves Parmantier – Internal Audit Director
Compliance	11/03/2019	Franck Vincens – Head of Legal and Compliance

3.4 EMPLOYMENT

As of 31 December 2018, the APICIL Group has approximately 2,200 employees and works with more than 1,000 independent wealth management advisors (*conseillers en gestion de patrimoine indépendants*).

As a member of the APICIL Group, the Issuer benefits from the support of several non-profit "associations of resources" (*association de moyens*), which the Issuer may use for certain services, such as:

- ***APICIL Transverse*** (formerly APICIL Gestion), which manages the APICIL Group and the support functions (management, accounting, human resources, data centre, etc.) APICIL Transverse (formerly APICIL Gestion) hires employees for APICIL Prévoyance, which does not hire employees directly; and

- ***APICIL Santé Prévoyance***, a new association of resources focused almost exclusively on the health/pensions business brings together employees specialising in health and protection (*santé et prévoyance*) professions. It invoices its services to APICIL Prévoyance and APICIL Mutuelle, which do not have any personnel, and to a lesser extent to the other entities of the APICIL Group.

APICIL AGIRC/ARRCO, which is not included in the scope of the APICIL Group, has its own employees since 1 July 2019 and therefore does not rely on APICIL Transverse nor APICIL Santé Prévoyance.

4. EXTERNAL GROWTH

4.1 ACQUISITION OF ONELIFE

On 2 January 2019, the Issuer acquired OneLife, which has specialised for 25 years in the development of asset and wealth management solutions for high net worth clients, a decisive step in its development, thus reinforcing the internationalisation of the APICIL Group life insurance business as part of its 2020 Challenges strategic plan.

The key financial information of OneLife for 2018 are as follows:

- 31,000 policyholders;
- earned premium net of reinsurance amounted to EUR 563 million, compared to €504.8 million in 2017;
- claims incurred, net of reinsurance amounted to EUR 520.5 million, compared to €548.1 million in 2017; and
- €4.9 billion of assets under management (including 97% of unit-linked (*unités de compte*) and dedicated funds) compared to EUR 5.2 billion as at end of 2017 (decrease of 6.36%), due to a negative market impact of EUR 406 million, (-7.7%), that absorbed an overall positive net flow of EUR 41 million.

This acquisition should significantly expand the scope of activities of the APICIL Group in the insurance and banking savings business (which had approximately €13 billion of assets under management in 2018), as that was the case when acquiring Legal & General (now GRESHAM) in 2015.

4.2 ACQUISITION OF STAKES IN FINAVÉO

In 2018, Finavéo & Associés (23 employees) ("**Finavéo**"), leader in banking platforms for securities accounts, equity saving plans (*plan d'épargne en actions* - PEA) and equity savings plans in small and medium-sized enterprises (*plan d'épargne en actions petites et moyennes entreprises* - PEA-PME) with wealth management advisers (*conseillers en gestion de patrimoine*) with €1.5 billion of assets under management and 1,000 clients, was acquired by a consortium composed of APICIL Prévoyance, OFI and Crystal. Their objective was to create a leading player in the platform segment for wealth management advisers. At the beginning of 2019, consolidation continued via Finavéo's planned merger with CD Partners (€2.8 billion of assets under management).

5. STRATEGIC OBJECTIVES

5.1 ORIENTATIONS FOR 2019

The APICIL Group's major projects for 2019 include:

- implementation of the APICIL Group's organisation around its businesses in "quasi business-units", with a pooling of support and management functions organised into networks, in order to strengthen customer intimacy, capitalise on the APICIL Group's brands and materialise synergies (portfolio transfers, change of employer for some of GRESHAM's (savings) and APICIL Tranverse's employees);
- setting up its registered office in Lyon in the *Part-Dieu* business district, in order to bring together the Caluire and Vaise teams on the same site; and

- migration to the APICIL Group's information technology management tools (GRESHAM savings, delegated management in provident and health insurance).

5.2 APICIL GROUP'S "2020 CHALLENGES"

Since 2011, the APICIL Group has implemented a strategic plan which matures in 2020 and is aimed at positioning the APICIL Group amongst the top five players on the French market. After having focused on the development of its expertise in terms of quality service and marketing efficiency, the APICIL Group is now focusing mainly on building a strong, long-term and distinctive relationship with its clients by offering them the most appropriate and innovative services. The strategic plan of the APICIL Group also focuses on implementing an external growth strategy for all of the APICIL Group's activities.

In order to implement such a strategic plan, the APICIL Group will focus on reinforcing and strengthening the following four pillars (the "**2020 Challenges**"):

(a) Pillar #1: profitable development of all businesses

With respect to this strategic orientation, the main objectives of the APICIL Group are:

- to pursue the profitable development of all the APICIL Group's business lines;
- to make the health and protection (*santé et prévoyance*) sector a priority focus for the APICIL Group and control the loss ratios and general costs to restore the profitability and combined ratios of these activities in line with the 2020 Challenges. Actions have already been implemented in 2018 and have started producing effects in 2019, further actions will be implemented in 2019;
- to cover all customer segments (standard, wealth and private customers) in savings (*épargne et retraite supplémentaire*) and asset management with appropriate models; and
- to strengthen the regional influence in complementary pensions by controlling its costs.

(b) Pillar #2: more efficient functioning

In order to fulfil this strategic orientation, the main objectives of the APICIL Group are:

- to improve its functioning towards greater efficiency, sharing and transversality;
- to strengthen the capacity to operate in multi-entities by creating new operating methods to facilitate the APICIL Group's internal processes; and
- to encourage the development of each member in its areas of excellence in order to fully benefit from the complementarities of the members of the APICIL Group and its development interests.

(c) Pillar #3: a group identity that respects each of its members

The two main objectives of APICIL Group in this respect are:

- to promote the development of a common culture and the sharing of group values while respecting the identities and specificities of the various members; and
- to encourage the autonomy of each member and the commitment of their employees.

(d) Pillar #4: creation of synergies

Finally, the 2020 Challenges will focus on:

- the development of synergies between members, at the service of everyone and also for the benefit of all of the APICIL Group;
- becoming the benchmark in France for the health and protection (*santé et prévoyance*) platform in seeking synergies;
- pooling the expertise and investments within the APICIL Group (on digital, information systems, etc.); and
- consolidating asset management activities within a common structure to develop its skills and achieve operational synergies.

Furthermore, as part of its 2020 Challenges strategic plan, the APICIL Group is changing its organisation by creating a strategy department.

5.3 STRATEGIC OBJECTIVES OF THE APICIL GROUP

(a) Health and protection business initiatives and strategy

The health and protection (*Santé/Prévoyance*) business strategic orientations are divided into the following initiatives and strategy:

- to pursue the specialisation of distribution networks by separating brokerage and direct networks;
- to capitalise on VeRaLTi, the distribution brand of the APICIL Group dedicated to brokers specialised in health and protection (*santé et prévoyance*);
- to be identified by the market as the benchmark platform for health and pensions;
- to industrialise the product manufacturing process as much as possible by using common tools to meet the challenges of evolution, range of offers and rapid implementation;
- package health and pensions offers and launch new offers to better serve our various customers and promote multi-equipment;
- continue to significantly invest in social sponsorship and corporate social responsibility;
- to develop its health services platform internally or via start ups (Ignilife, BlueLinea, médecinDirect);
- to evolve our offers and commercial approaches to take into account market developments, such as changes relating to employment or the development of self-employed entrepreneurs / self-employed workers;
- to strengthen and specialise its distribution capacities, in particular by offering a direct distribution method on the Internet (e-agency logic) and by strengthening remote advice;
- to manage carefully portfolios' expected claims, taking into account regulatory changes and the financial impacts;

- to develop niche products in protection to increase cross selling.

(b) Savings (*épargne et retraite supplémentaire*) business initiatives and strategy

The Savings (*épargne et retraite supplémentaire*) business strategic orientations for a profitable growth are divided into the following initiatives and strategy:

- Product innovation to answer clients needs and take into account regulatory changes and the deteriorated financial environment;

- Maintain the APICIL Group's leadership in unit-linked and financial products to make controlled risk taking accessible;

- Structure the APICIL Group on (i) specialised distribution networks with expertise in its products and reaching all clients' segments and (ii) strong synergies across support functions (IT, back office);

- Strengthen its distribution channels thanks to dedicated distance advisory and the creation of online savings agencies;

- Significantly develop complementary pension via financial advisors network for individuals and self-employed workers. On a large scale, cross-sell to pension or collective insurance customers;

- Develop bank savings offering;

- Focus on employee savings and retirement plans to increase its market share by developing APICIL expertise; and

- Optimisation of clients services through increase digitalisation to enhance clients experience.

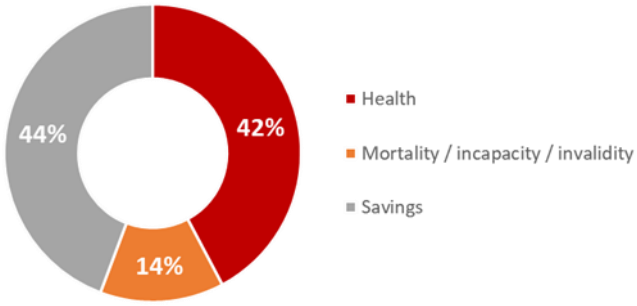
6. KEY FINANCIAL INFORMATION AND CREDIT RATING OF THE APICIL GROUP

This section 6 shall be read and construed in conjunction with the 2018 and 2017 Combined Financial Statements of the APICIL Group and 2018 and 2017 Financial Statements of the Issuer (see section "*Documents Incorporated by Reference*") which are incorporated in, and shall be deemed to form part of, this Prospectus.

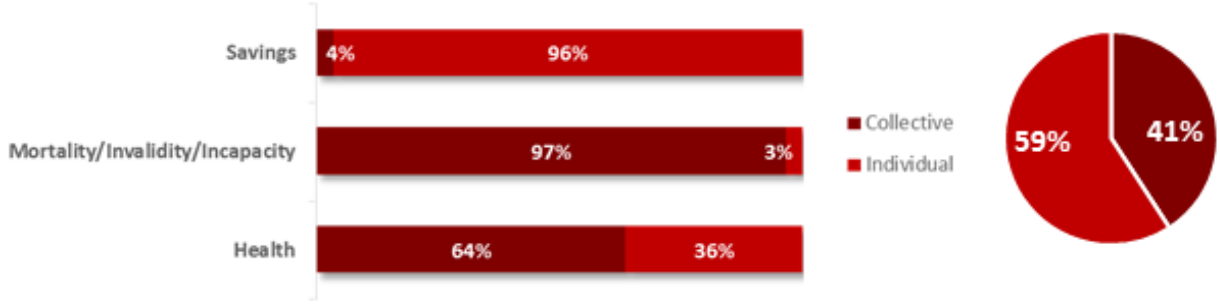
For the avoidance of doubt, in this section 6, all references to "APICIL Group" shall be read and construed as references to the combined group of the APICIL SGAPS.

6.1 KEY COMBINED FINANCIAL INFORMATION OF THE APICIL GROUP

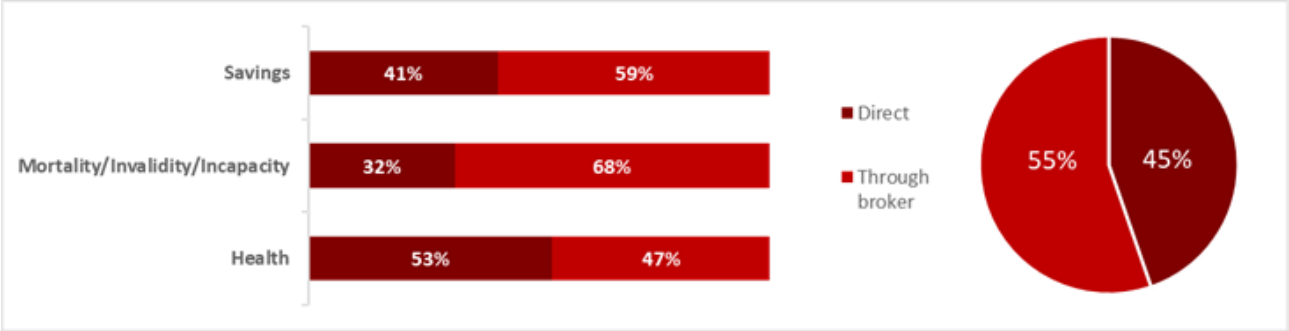
The following chart presents the activity breakdown for the combined turnover of the APICIL Group as at 31 December 2018:



The following chart presents the breakdown by type of contracts of the combined turnover of the APICIL Group as at 31 December 2018.



The following chart presents the breakdown by distribution channel of the combined turnover of the APICIL Group as at 31 December 2018.



The following table presents the approximate evolution of the combined turnover, net income and equity of the APICIL Group for the last two years.

(in millions of euros)	**2017**	**2018**
Turnover	2 382	2 421
Net income	41	38
Equity	1 102	1 140

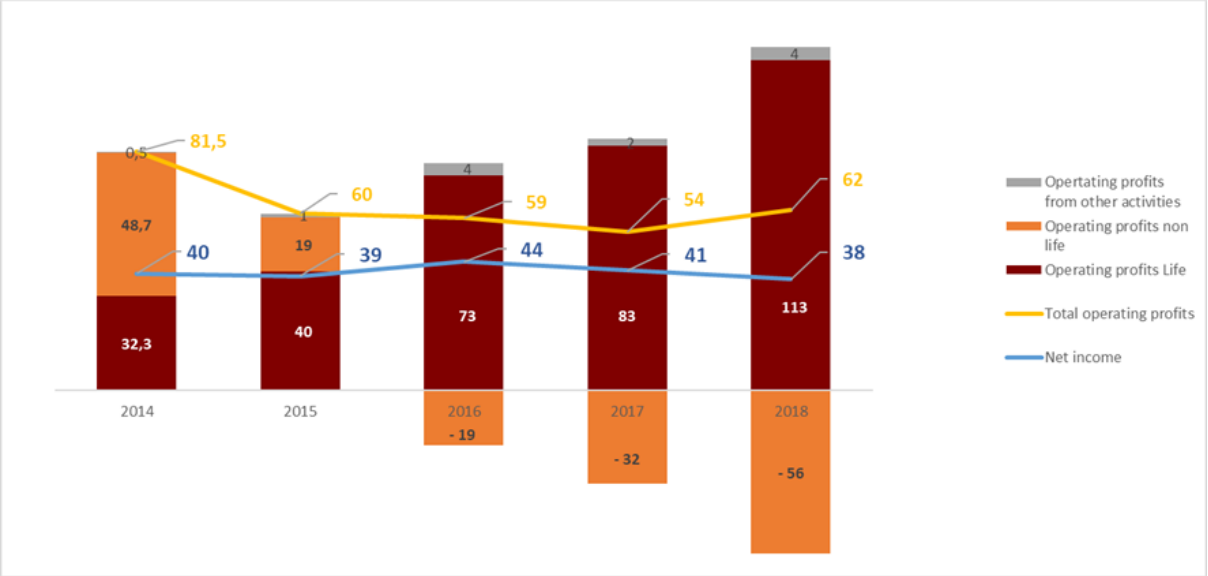
The following table presents the approximate breakdown of the combined gross premiums by line of business for the years ended 31 December 2017 and 31 December 2018.

(in millions of euros)	**2018* unaudited pro forma OneLife included**	**2018**	**2017**
Gross premiums - Savings	1 628	1 065	1 007
Gross premiums –	325	325	324

Mortality/Disability			
Gross premiums - Health	1 016	1 016	1 038
TOTAL	**2 969**	**2 406**	**2 369**

* Pro forma information to reflect the acquisition of OneLife (please refer to Paragraph 4.1 (*Acquisition of OneLife*) above for a description of the acquisition) as if it had occurred on 1 January 2018, prepared on the basis of the 2018 financial statements provided by OneLife. Such pro forma information has been prepared solely for illustrative purposes and because of its nature addresses a hypothetical situation. Therefore, it does not purport to indicate the combined gross premiums that would have actually been achieved had the OneLife acquisition already occurred on 1 January 2018. Such pro forma information may not be indicative of the combined gross premiums further to the completion of the acquisition. The Pro forma information has not been reviewed nor audited by the Issuer's auditors.

The following chart presents the changes to the combined operating profit and net income of the APICIL Group over the last five years.



The following tables summarise the key combined financial information of the APICIL Group (excluding OneLife, which has been recently acquired) and some entities of the Mutual Pole for the years ended 31 December 2017 and 31 December 2018.

Summarised Combined Balance Sheet		
(in thousands of euros)	**31/12/2017**	**31/12/2018**
ASSETS		
Goodwill	0	3 596
Intangible assets	12 754	16 504
Investments from insurance activities	8 284 918	8 505 630
Investments representing unit linked (UL) commitments	4 391 652	4 157 752
Investments from other activities	116 070	103 025
Investments in equity affiliates	0	7 458
Share of reinsurers and reinsurance reinsurers in technical provisions	290 074	297 275
Insurance and reinsurance receivables	466 790	409 392
Credit institutions receivables	226 810	264 082
Customers of the banking activities receivables	6 548	6 167
Other receivables	205 378	155 221

Summarised Combined Balance Sheet		
Other assets	6 024	5 427
Differed tax assets	18 272	7 216
Differed income - Assets	158 468	177 290
Conversion differences	2 125	572
TOTAL ASSETS	**14 185 884**	**14 116 608**
LIABILITIES		
Group's equity	1 102 356	1 139 763
Minority interests	0	0
Subordinated liabilities	150 949	152 992
Gross technical provisions	7 850 494	8 090 302
Technical provisions for UL liabilities	4 405 755	4 166 477
Provisions for contingencies and charges	45 938	40 193
Payables arising from insurance and reinsurance activities	259 296	239 226
Customers of the banking activities debts	69 154	80 801
Amounts owed to credit institutions	49 187	19 208
Other debts	249 390	184 602
Differed income - Liabilities	3 364	3 044
TOTAL LIABILITIES	**14 185 884**	**14 116 608**

Summarised Combined Income Statement as of 31 December 2018					
(in thousands of euros)	**Non-life operations**	**Life operations**	**Banking activities**	**Other operations**	**Total 2018**
Earned premiums	1 213 012	1 193 081	0	0	2 406 094
Total current operating revenues	1 251 163	1 115 011	8 081	16 412	2 390 667
Total current operating expenses	(1 306 778)	(1 002 245)	(9 050)	(10 990)	(2 329 063)
Current operating income	(55 615)	112 766	(969)	5 421	61 603
Net profit of integrated companies					37 511
Net combined profit					37 809

Summarised Combined Income Statement as of 31 December 2017					
(in thousands of euros)	**Non-life operations**	**Life operations**	**Banking activities**	**Other operations**	**Total 2017**
Earned premiums	1 229 874	1 138 909			2 368 783
Total current operating revenues	1 260 651	1 684 563	3 783	10 073	2 959 071
Total current operating expenses	(1 292 292)	(1 601 211)	(3 072)	(8 359)	(2 904 935)
Current operating income	(31 641)	83 352	710	1 714	54 136
Net profit of integrated companies					40 850
Net combined profit					40 850

6.2 KEY FINANCIAL INFORMATION OF THE ISSUER

The following tables summarise the key financial information of the Issuer for the years ended 31 December 2017 and 31 December 2018.

Summarised Balance Sheet		
(in thousands of euros)	**31/12/2017**	**31/12/2018**
ASSETS		
Intangible assets	-	-
Investments	2 239 051	2 373 973
Investments representing technical provisions in UL	13 810	12 313
Share of reinsurers and reinsurance reinsurers in technical provisions	248 065	243 624
Receivables	284 645	258 989
Other assets	3 895	28 411
Differed income - Assets	32 407	31 091
TOTAL ASSETS	2 821 874	2 948 401
LIABILITIES		
Equity	657 214	634 797
Subordinated liabilities	150 949	150 949
Gross technical provisions	1 760 772	1 816 890
Technical provisions for UL liabilities	13 860	12 359
Provisions (other than technical)	7 042	7 426
Cash-deposits received from reinsurers	75 086	94 365
Other debts	150 021	225 688
Differed income - Liabilities	6 930	5 926
TOTAL LIABILITIES	**2 821 874**	**2 948 401**

Summarised Income Statement as of 31 December 2018 **Technical account – Non-life operations**				
(in thousands of euros)	Gross operations 2018	Reinsurances and retrocessions 2018	Net operations 2018	Net operations 2017
Earned premiums	439 909	60 286	379 623	379 634
Allocated investment return transferred from the non-technical account	9 046	-	9 046	9 734
Other technical incomes	998	-	998	777
Claims incurred	(424 702)	47 737	(376 965)	(350 862)
Change in other technical provisions	(18 790)	5 837	(12 953)	(8 837)
Profit sharing to policy holders	(1 386)	6	(1 380)	(4 823)
Acquisition and administrative costs	(49 437)	8 703	(40 734)	(44 396)
Other technical expenses	(6 315)	-	6 315	(6 663)
Charge in equalisation provision	(10 543)	3 839	(6 704)	1 472
NON-LIFE OPERATIONS - TECHNICAL RESULT	**(61 222)**	**5 837**	**(55 385)**	**(23 963)**

Summarised Income Statement as of 31 December 2018 Technical account - Life operations				
(in thousands of euros)	Gross operations 2018	Reinsurances and retrocessions 2018	Net operations 2018	Net operations 2017
Earned premiums	110 345	(27 716)	82 628	93 768
Investment income	45 526	-	45 526	37 992
Realised and unrealised gains on UL	40	-	40	1 043
Other technical incomes	639	-	639	641
Claims incurred	(92 561)	20 329	(72 232)	(73 821)
Change in technical provisions and other technical provisions	13 806	(816)	12 990	(8 030)
Profit sharing to policy holders	(21 415)	(515)	(21 930)	(23 535)
Acquisition and administrative costs	(12 354)	4 009	(8 345)	(4 253)
Investment charges	(17 561)	-	(17 561)	(7 683)
Realised and unrealised losses on UL	(1 681)	-	(1 681)	(1)
Other technical expenses	(2 343)	-	(2 343)	(2 963)
Allocated investment return transferred to the non-technical account	-	-	-	-
LIFE OPERATIONS - TECHNICAL RESULT	**22 441**	**(4 709)**	**17 732**	**13 158**

Summarised Income Statement as of 31 December 2017 and 31 December 2018 Non-technical account		
(in thousands of euros)	**31/12/2017**	**31/12/2018**
Non-life operations technical results	(23 963)	(55 385)
Life operations technical results	13 158	17 732
Investment income	36 032	59 740
Allocated investment returns transferred from the life insurance technical account	-	-
Investment charges	(20 341)	(30 941)
Allocated investment returns transferred to the non-life insurance technical account	(9 734)	(9 046)
Other non-technical income	2 416	1 692
Other non-technical charges	(7 949)	(9 278)
Extraordinary profit	(541)	(46)
Tax on profits	(170)	-
TOTAL PROFIT / LOSS	**(11 092)**	**(25 532)**

6.3 CREDIT RATING OF THE ISSUER

The Issuer has been rated by Moody's since 2 January 2019. As at the date of this Prospectus, Moody's assigns an A3 Insurance Financial Strength Rating with negative outlook to the Issuer. Insurance Financial Strength Ratings are opinions on the ability of insurance companies to pay punctually senior policyholder claims and obligations and also reflect expected financial loss suffered in the event of default.

7. FINANCIAL MANAGEMENT POLICY OF THE ISSUER AND THE APICIL GROUP

This section 7 shall be read and construed in conjunction with the 2018 and 2017 Combined Financial Statements of the APICIL Group (see section "Documents Incorporated by Reference") which are incorporated in, and shall be deemed to form part of, this Prospectus.

For the avoidance of doubt, in this section 7, all references to "APICIL Group" shall be read and construed as references to the combined group of the APICIL SGAPS.

7.1 REGULATORY CAPITAL (SOLVENCY II)

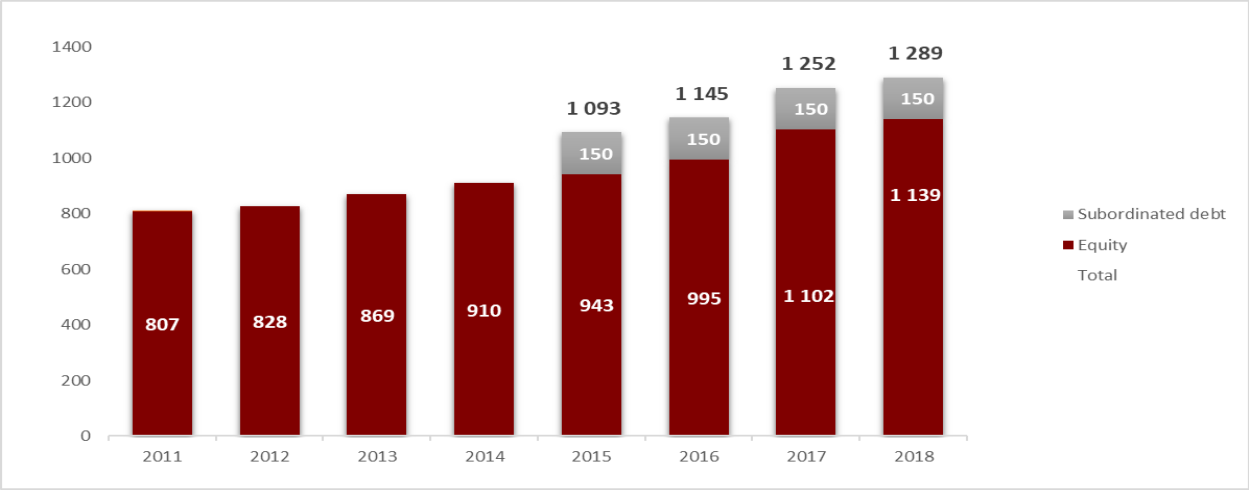
As at 31 December 2018, the APICIL Group's solvency, calculated on the basis of the combined financial statements of the APICIL Group, was equal to 196.7% (compared to 233.6% for the year ended 31 December 2017). The APICIL Group solvency ratio without transitional measures is equal to 151.2% (compared to 181% for the year ended 31 December 2017). The solvency ratio's decrease is mainly due to the economic context (decrease of unrealised gains, evolution of the yield curve and the equity's and fixed income's volatility).

APICIL Group Key Figures *In € millions unless otherwise specified*	**2018**	**2017**	**Change**	**2018 Without transitional on technical provisions**	**2017 Without transitional on technical provisions**	**Change**
Group Solvency II Eligible Own Funds (EOF)[1]	1 690.4	1 827.8	- 137.4	1 299	1 416.4	- 117.4
Group Solvency Capital Requirement (SCR)	859.2	782.5	76.7	859.2	782.5	76.7
Group Minimum Capital Requirement (MCR)	367.4	325.5	41.8	367.4	325.5	41.8
Group Solvency II ratio	196.7%	233.6%	-36.8%	151.2%	181%	-29.8%

[1]*Eligible Own Funds ("**EOF**") corresponds to the surplus derived from the Solvency II balance sheet. It is defined as the excess of market value of assets over the market value of liabilities as of the valuation date.*

Under Solvency II, as at 31 December 2018, the APICIL Group is capitalised almost two times above its Solvency Capital Requirement ("**SCR**") and more than four time and a half above its Minimum Capital Requirement ("**MCR**").

The following chart presents the evolution of equity and subordinated debt of the APICIL Group between 2011 and 2018:



The entire own funds are classified as Tier 1, save for the €150,000,000 fixed rate dated subordinated notes due 17 November 2025 issued on 13 November 2015 (the "**Existing Notes**") which are classified as Tier 2. Due to the nature of its own funds, APICIL Prévoyance is not affected by grandfathering measures.

The Existing Notes are entirely eligible to the SCR (below the 50% threshold of the SCR) and are eligible for the MCR up to €23 million (20% threshold of the MCR).

By taking into account the transitional measures for technical provisions, APICIL Prévoyance has net deferred tax liabilities of €40 million.

The amount of eligible own funds and solvency ratios for the APICIL Group and APICIL Prévoyance as at 31 December 2018 (including subordinated debt securities and transitional measures for technical provisions) is as follows:

APICIL Group:
- Eligible for the SCR: €1,690 million, representing a ratio of 197%;
- Eligible for the MCR: €1,611 million, representing a ratio of 439% (including transitional measures).

APICIL Prévoyance:
- Eligible for the SCR: €1,040 million, representing a ratio of 271%;
- Eligible for the MCR: €912 million, representing a ratio of 795% (including transitional measures).

The 2018 economic context has led to a decrease in unrealised gains (decrease in equity markets and increase in credit spreads) detrimental to APICIL Prévoyance's creditworthiness. The increase in provisions for work disruption risk also had an impact on the Issuer's own funds.

EOF decreased by €126 million compared to 31 December 2017. This strong variation is due to a decrease of €22 million in shareholders' equity, a decrease in unrealised gains and a decrease in the transitional measure for technical provisions. Finally, the decrease in the APICIL Epargne's own funds also had an impact on APICIL Prévoyance.

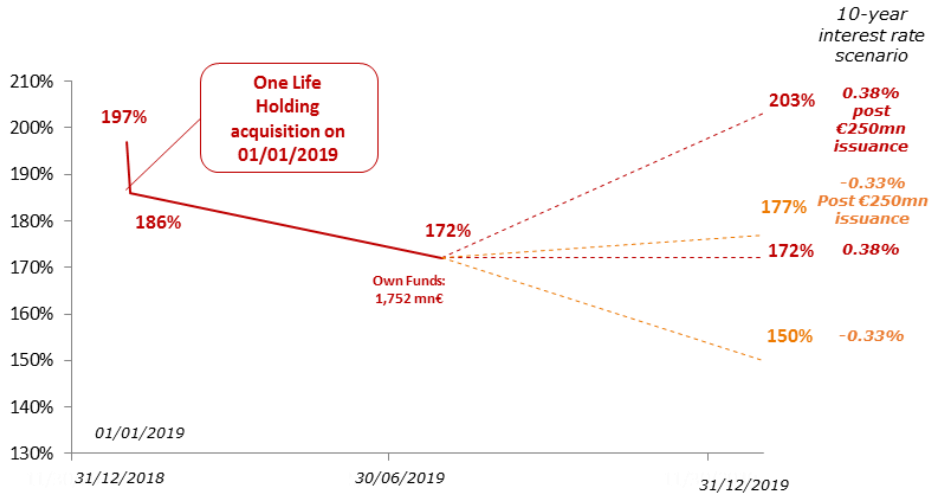
The capital requirement decreased as at 31 December 2018 to €383 million (€413 million as at 31 December 2017). This evolution is mainly due to the discontinuation of the average guaranteed rate on end-of-career premium products and the decrease in unrealised gains. This decrease is

nevertheless offset by the growth in the protection business (*prévoyance*), which led to an increase in the underwriting SCR requirements.

Given the EOF of €1,040 million, the solvency ratio was 271%, a decrease of 10 points compared to 2017 (281%). The sharp decrease in EOF is partly offset by reduced capital requirements. The margin requirement is still being complied with.

7.2 SOLVENCY RATIO SENSITIVITIES

The following table presents the APICIL SGAPS Solvency II ratio sensitivity to 10-year rates post €250,000,000 issuance of subordinated debt (including transitional measures).



A 20% decrease in equity markets would have an impact of approximately 3% on the Solvency II ratio[7] of the APICIL SGAPS.

The transitional measures increase the Solvency II ratio of the APICIL SGAPS by 43% in average, across the different scenarios.

7.3 ASSET ALLOCATION

The main classes of assets of the APICIL Group are bonds (corporate and sovereign bonds account for 78%), shares (6%), real estate assets (4.5%) and Mixed UCITS (2%). The balance consists of cash and deposits.

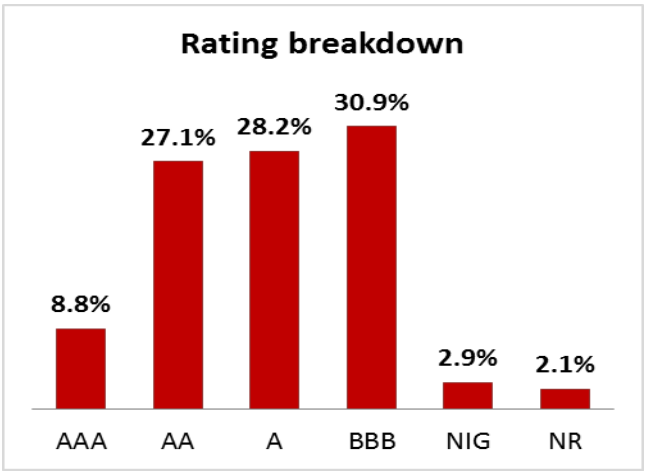
The following table presents the breakdown of the financial assets by types of investment, on the basis of the combined perimeter of the APICIL Group as at 31 December 2018.

	Asset allocation – Breakdown by type of investments (excluding unit-linked) as at 31 December 2018			
(in euros)	**Market value**		**Net asset value**	
European shares	282 607 555	3.02%	274 434 108	3.09%
Mixed UCITS	96 740 894	1.03%	96 214 733	1.08%
International shares	58 489 800	0.63%	51 897 399	0.59%
Alternative shares	27 712 815	0.30%	32 153 190	0.36%
Interest rate hedges	116 378	0.00%	1 483 750	0.02%
Investment real estate	407 280 046	4.36%	326 449 308	3.68%

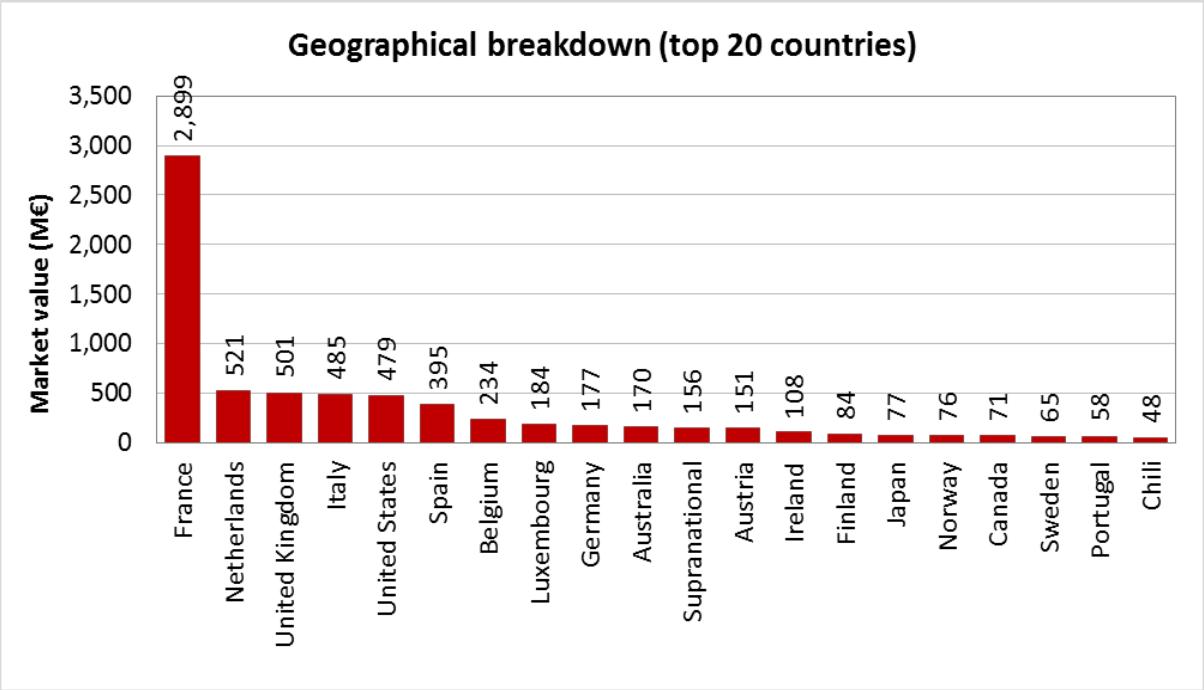
7 As at 31 December 2019, with a 0.38% 10-years rate scenario.

Own usage real estate	11 743 538	0.13%	9 015 501	0.10%
Real estate for social purposes	417 902	0.00%	220 692	0.00%
Alternative funds	102 470 669	1.10%	96 997 020	1.09%
Convertible bonds	167 508 066	1.79%	170 066 808	1.92%
Inflation linked bonds	353 022 489	3.78%	350 395 438	3.95%
International bonds	23 832 537	0.25%	24 023 947	0.27%
Private equity	199 295 236	2.13%	183 680 339	2.07%
Rate-linked structured products	11 913 698	0.13%	9 562 173	0.11%
Fixed-rate bonds	6 179 402 810	66.08%	5 801 697 684	65.42%
Short-term floating rate bonds	461 472 185	4.94%	472 377 667	5.33%
Long-term floating rate bonds	94 169 361	1.01%	92 604 956	1.04%
Cash	813 490 023	8.70%	813 490 023	9.17%
Participations	59 258 332	0.63%	61 314 449	0.69%
TOTAL	**9 350 944 332**	100.00%	**8 868 079 183**	100.00%

The following chart presents the rating breakdown of the bond portfolio, on the basis of the combined perimeter of the APICIL Group as at 31 December 2018.



The following chart presents the geographical breakdown of the bond portfolio, on the basis of the combined perimeter of the APICIL Group as at 31 December 2018.



The bond portfolio consists of corporate bonds, which account for 53% and sovereign and state-guaranteed bonds (22%). As at 31 December 2018, the overall proportion of "investment grade" rated bonds is stable at 95%.

TAXATION

The following is a general description of certain withholding tax considerations relating to the holding of the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in France or elsewhere. This general description is based upon the law in force in France and Luxembourg on the date of this Prospectus and is subject to any change in law and/or interpretation thereof that may take effect after such date (possibly with retroactive effect).

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.

1. FRANCE

1.1 Withholding taxes on payments made outside France

Payments of interest and other assimilated revenues made by the Issuer with respect to the Notes are not subject to the withholding tax provided 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**") other than those mentioned in Article 238-0 A 2 bis 2° of the same code. If such payments under the Notes are made outside France in a Non-Cooperative State other than those mentioned in Article 238-0 A 2 bis 2° of the French *Code général des impôts*, a 75 per cent. withholding tax will be applicable (subject to certain exceptions and to the provisions of an applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, in application of Article 238 A of the French *Code général des impôts*, interest and other assimilated revenues on such Notes will not be deductible from the Issuer's taxable income if they are paid or accrued to persons established or domiciled in a Non-Cooperative State or paid to an account held with a financial institution established in a Non-Cooperative State (the "**Deductibility Exclusion**"). Under certain conditions, any such non-deductible interest and other assimilated revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non deductible interest and other assimilated 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 (i) 12.8 per cent. for payments benefiting individuals who are not French tax residents, (ii) 30 per cent. (to be aligned on the standard corporate income tax rate set forth in Article 219-I of the French *Code général des impôts* for fiscal years beginning as from 1 January 2020) for payments benefiting corporate or other legal entities who are not French tax residents or (iii) 75 per cent. for payments made outside France in a Non-Cooperative State other than those mentioned in Article 238-0 A 2 bis 2° of the French *Code général des impôts* (subject in each case to certain exceptions and to the provisions of an applicable double tax treaty).

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 that the relevant interest and other assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion (or the withholding tax set out under article 119 *bis* 2 that may be levied as a result of the Deductibility Exclusion) will apply in respect of the Notes if the Issuer can prove that the main purpose and effect of the issue of the Notes was not that of allowing the payments of interest and other assimilated revenues to be made in a Non Cooperative State (the "**Exception**"). Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* BOI-INT-DG-20-50-20140211 no. 550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211 no. 70 and 80, BOI-IR-DOMIC-10-20-20-60-20150320 no. 10, the Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of the Notes, if the Notes are *inter alia:*

(i) admitted to trading on a French or foreign regulated market or 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 any other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

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

Since the Notes are admitted, at the time of their issue, to the operations of Euroclear France, payments of interest and other assimilated revenues made by the Issuer under the Notes are neither 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.

1.2 Withholding taxes on payments made to individuals fiscally domiciled in France

Pursuant to Article 125 A I of the French *Code général des impôts* (i.e. where the paying agent (*établissement payeur*) is established in France) and subject to certain exceptions, interest and other assimilated revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8 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 solidarity levy) are also levied by way of withholding at an aggregate rate of 17.2 per cent. on such interest and other assimilated revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France, subject to certain exceptions.

2. LUXEMBOURG TAXATION

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

2.1 Non Luxembourg tax resident Noteholders

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident Noteholders, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident Noteholders.

2.2 Luxembourg resident Noteholders

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the "**Relibi Law**"), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident Noteholders, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident Noteholders.

Under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed

by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Relibi Law would be subject to 20 per cent withholding tax.

SUBSCRIPTION AND SALE

BNP Paribas (the "**Lead Manager**") has, pursuant to a subscription agreement (the "**Subscription Agreement**") dated 22 October 2019 agreed with the Issuer, subject to satisfaction of certain conditions, to subscribe or procure subscribers for the Notes at the issue price of 100% of the total principal amount of the Notes, less a commission agreed between the Issuer and the Lead Manager. The Issuer has agreed to indemnify the Lead Manager against certain liabilities incurred in connection with the issue of the Notes. The Subscription Agreement may be terminated in certain circumstances prior to payment of the net proceeds of the issue being made to the Issuer.

General selling restrictions

No action has been taken or will be taken by the Lead Manager or the Issuer that would, or is intended to, permit a public offering of the Notes or the possession or distribution of this Prospectus or any other offering material in relation to the issue of the Notes in any country or jurisdiction where action for that purpose is required.

The Lead Manager has represented, warranted and agreed that it will comply with all applicable laws and regulations in force in any jurisdiction in or from which it purchases, offers or sells Notes or possesses or distributes the Prospectus (as supplemented and amended as the case may be) or any part of it or any other offering material relating to the Notes, and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in or from which it makes such purchases, offers or sales.

The Lead Manager will not offer, sell or deliver, directly or indirectly, any Notes or distribute the Prospectus or any offering material in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and which will not impose any obligations on the Issuer and all offers, sales and deliveries of Notes and distributions of the Prospectus or any offering materials relating to the Notes by the Lead Manager will be made on the same terms.

Neither the Issuer nor the Lead Manager represent that the Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale. The distribution of this Prospectus and the offering 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 Lead Manager to inform themselves about and to observe any such restrictions. This Prospectus does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

United States of America

The Notes have not been and will not be registered under the U.S. 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, and the Notes may not be offered or sold, directly or indirectly, in the United States, or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. Terms used in this paragraph and not otherwise defined in the Prospectus have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

The Lead Manager has represented, warranted and agreed that it has not offered or sold, and will not offer or sell, the Notes (a) as part of its distribution at any time or (b) otherwise until forty (40) calendar days after the later of the commencement of the offering and the closing date of the offering, in the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each distributor or 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.

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

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

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Notes or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

United Kingdom

The Lead Manager has represented, warranted and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in an investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (the "**FSMA**")) received by it in connection with the issue or sale of any Notes only under 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 the Notes in, from or otherwise involving the United Kingdom.

France

Each of the Lead Manager and the Issuer 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 has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France the Prospectus or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made in France only to qualified investors (*investisseurs qualifiés*), other than individuals, as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") as amended and any applicable French laws and regulations implementing the Prospectus Regulation and related regulations in France.

Prohibition of Sales to European Economic Area Retail Investors

The Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA.

For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(b) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

GENERAL INFORMATION

1. Application has been made for the Notes to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the Euro MTF Market.

2. The Notes have been accepted for clearance and settlement through Euroclear France, Clearstream and Euroclear with the Common Code number 206995726. The International Securities Identification Number ("**ISIN**") for the Notes is FR0013455862. The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Brussels, Belgium, the address of Clearstream is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg and the address of Euroclear France is 66 rue de la Victoire, 75009 Paris, France.

3. Save as disclosed in the Prospectus, there has been no significant change in the financial or trading position of the Issuer and the APICIL Prudential Group since 31 December 2018.

4. There has been no material adverse change in the prospects of the Issuer since 31 December 2018.

5. The Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened and of which the Issuer is aware) during the twelve (12) months preceding the date of approval of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer or the APICIL Prudential Group.

6. The issue of the Notes was decided by a resolution of the Board of Directors (*Conseil d'administration*) of the Issuer dated 19 September 2019, acting pursuant to resolutions of the General Meeting (*Assemblée Générale*) of the Issuer dated 19 September 2019.

7. At the date of this Prospectus, no material contracts have been entered into (other than in the ordinary course of the Issuer's business), which could result in any member of the APICIL Prudential Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders in respect of the Notes being issued.

8. At the date of this Prospectus, there are no conflicts of interest which are material to the issue or offer of the Notes between the duties of the members of the Board of Directors to the Issuer and their private interests and/or their other duties. The Lead Manager is paid commissions in relation to the issue of the Notes. The Lead Manager and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer in the ordinary course of business.

9. To the knowledge of the Issuer, no person involved in the issue of the Notes has an interest material to the issue.

10. For as long as the Notes are outstanding the following documents will be available during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the office of the Issuer, the Fiscal Agent, the Paying Agent and at the office of the Luxembourg Listing Agent located in Luxembourg:

    (a) this Prospectus;

    (b) the Agency Agreement;

    (c) the *statuts* of the Issuer;

    (d) all future audited combined financial statements of the *société de groupe assurantiel de protection sociale* (SGAPS) APICIL and audited financial statements of the Issuer; and

(e) each of the Documents Incorporated by Reference.

The Prospectus will be published on the websites of the Luxembourg Stock Exchange (www.bourse.lu) and the Issuer (www.apicil.com).

11. As of the date of this Prospectus, the Issuer does not establish half-year financial statements.

12. The statutory auditors of the Issuer are Deloitte & Associés and Mazars (both entities are regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorised as *Commissaires aux Comptes*). They have audited and rendered unqualified audit reports on the 2018 Combined Financial Statements, the 2017 Combined Financial Statements, the 2018 Financial Statements and the 2017 Financial Statements.

13. The yield of the Notes, calculated from the Issue Date to the Scheduled Maturity Date is 4.00% *per annum*. It is not an indication of future yield.

14. The Issuer's Legal Entity Identifier (LEI) is: 969500D3CIL5P47FL803.

ISSUER

APICIL PREVOYANCE
38 rue Francois Peissel
69300 Caluire et Cuire
France

STRUCTURING ADVISOR, LEAD MANAGER AND SOLE BOOKRUNNER

BNP PARIBAS
10 Harewood Avenue
London NW1 6AA
United Kingdom

FISCAL AGENT AND PAYING AGENT

BNP Paribas Securities Services
Les Grands Moulins de Pantin
9 rue du Débarcadère
93500 Pantin
France

LUXEMBOURG LISTING AGENT

BNP Paribas Securities Services, Luxembourg Branch
33, rue de Gasperich
Howald-Hesperange
L-2085 Luxembourg
Luxembourg

AUDITORS OF THE ISSUER

Deloitte & Associés
6 place de la Pyramide
92908 Paris la Défense Cedex
France

Mazars
Le Premium
131, boulevard Stalingrad
69100 Villeurbanne
France

LEGAL ADVISER TO THE ISSUER

Allen & Overy LLP
52, avenue Hoche
75008 Paris
France

LEGAL ADVISER TO THE LEAD MANAGER

Gide Loyrette Nouel A.A.R.P.I
15, rue de Laborde
75008 Paris
France