

# **CRÉDIT MUTUEL – CIC HOME LOAN SFH**

Limited liability company with a Board of Directors  
(*société anonyme à conseil d'administration*)  
with share capital of €220,000,000

6 Avenue de Provence  
75452 Paris Cedex 9

Siren no.: 480 618 800  
PARIS TRADE AND COMPANIES REGISTER

## **STATEMENT OF THE SPECIAL CONTROLLER**

**AS TO COMPLIANCE WITH THE COVERAGE RATIO REGARDING  
THE THIRD-QUARTER 2017 BOND ISSUANCE PROGRAM  
INVOLVING PRIVILEGED RESOURCES**

Pursuant to Articles L. 513-23 and R. 513-16-IV  
of the French Monetary and Financial Code

To the members of the Board of Directors,

In our capacity as the special controller of Crédit Mutuel - CIC Home Loan SFH and pursuant to the provisions set forth in Articles L. 513-23 and R. 513-16 of the French Monetary and Financial Code, we verified compliance with rules related to the coverage ratio specified in Articles L. 513-12 and R. 513-8 of the French Monetary and Financial Code as part of a quarterly bond issuance program for privileged resources as defined by Article L. 513-11 of this same code.

In its May 3, 2017 decision, the Board of Directors of Crédit Mutuel - CIC Home Loan SFH set the maximum ceiling for the privileged resources issuance program under Article L. 513-11 of the French Monetary and Financial Code at €3 billion, or its equivalent in a foreign currency, for the third quarter of 2017.

Article L.513-12 of the French Monetary and Financial Code requires that the total amount of your company's assets must be greater than the outstanding amount of its privileged debt as defined by Article L. 513-11 of this code. In addition, Article R. 513-8 of this code requires that home finance companies comply at all times with an overcollateralization ratio of assets to privileged resources of at least 105%.

Our duty is to issue a statement on compliance with these rules as they apply to the quarterly issuance program.

Compliance with these rules in connection with the quarterly issuance program was verified on the basis of financial estimates for the prior period and financial projections for the future period; the preparation of these estimates and projections was your responsibility. You prepared the financial projections based on assumptions at the time of the most likely future situation. This information is appended to this statement.

We performed the due diligence we believed was necessary in accordance with the professional standards of the French Institute for Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) related to this task.

Our work consisted of:

- verifying the consistency of the amount of the quarterly issuance program with the amount in the minutes of the deliberating body that authorized these issuances;
- examining the process for preparing the financial projections based on the quarterly issuance program, it being noted that since these projections are by definition uncertain, actual results may vary significantly from the established projections;
- verifying the methods for calculating the coverage ratio resulting from these projections, as called for in Articles 8 and 9 of CRBF Regulation 99-10 and by French Prudential Supervisory and Resolution Authority notification 2016-I-09;
- verifying compliance with the rules specified in Articles L. 513-12 and R. 513-8 on the basis of these financial projections.

Our work did not include verifying compliance with the rules prescribed by Regulation (EU) no. 575/2013 applicable as of January 1, 2014.

On the basis of our work, we have no observations to make regarding Crédit Mutuel - CIC Home Loan SFH's compliance with the provisions set forth in Articles L. 513-12 and R. 513-8 of the French Monetary and Financial Code, after taking into account this quarterly issuance program.

This statement is prepared for your benefit and that of the French Prudential Supervisory and Resolution Authority. We reject any liability with respect to third parties to whom this report may be disseminated or who may obtain it.

This report is governed by French law. French courts have exclusive jurisdiction to hear any legal dispute, claim or disagreement that may arise from our engagement letter or this statement or any related matter. Each party irrevocably waives its right to contest a proceeding brought before these courts, to claim that the proceeding was brought before an incompetent court or that these courts lack jurisdiction.

Paris, July 4, 2017

The special controller  
**FIDES AUDIT**  
represented by Stéphane MASSA

€ billions	Estimated as of May 31, 2017	Projection (1) as of September 30, 2017
<b>COVERAGE RATIO</b>	<b>143%</b>	<b>125%</b>
<b>NUMERATOR : (2) (3)</b> Refinanceable amount of loans provided as collateral and replacement values	30,62	30,71
<b>DENOMINATOR: (4)</b> Resources with privileged status	21,48	24,48

Figures after taking into account:

(1) - the quarterly maximum amount of €3 billion (or foreign currency equivalent) set by the Board of Directors on May 3, 2017

- the scheduled implementation in mid-June of the medium-term plan related to series 22 for €300 million

(2) the limitation in the numerator of the exposure ratio to the parent company to 25% of non privileged resources (in accordance with article R 513-8 of the French Monetary and Financial Code and article 9 of CRBF Regulation no. 99-10):

- Replacement values taken into account in the ratio's numerator were therefore limited to €296 million as of May 31, 2017 and €371 million as of September 30, 2017

- Non-privileged resources as of May 31, 2017: €1,184.84 million, including the restitution liability of the cash collateral for a total of €785.13 million.

- Non-privileged resources as of September 30, 2017: €1,484.84 million, including the cash collateral restitution liability for a total of €1,085.13 million.

(3) The refinanceable amount of these loans contributed as collateral was determined:

- as of May 31, 2017, based on the collateral pledged on May 10, 2017 for €31,001 million and corresponding to the remaining principal due on the loans as of April 30, 2017.

- as of September 30, 2017, based on the collateral pledged on June 12, 2017 for €31,001 million and corresponding to the remaining principal due on loans as of May 31, 2017.

(4) The resources are valued in euros using the swap exchange rate

Nominal amount of outstanding bonds as of May 31, 2017

Series number	Nominal bond amounts in original currency	ISIN code	Listing market	Currency	Nominal CV € ALM <sup>(1)</sup>	Nominal CV € reported <sup>(2)</sup>	Difference <sup>(3)</sup>	Contractual maturity dates	Extended maturity dates	Self-subscribed bonds
1 US	1 000 000 000	US22490AAA60 & USF2373UAD49	Euronext Paris	USD	785 130 000	891 186 169	- 106 056 169	16/11/2017		NO
22	300 000 000	FR0011215300	Euronext Paris	EUR	300 000 000	300 000 000	-	15/03/2018		NO
4	155 000 000	FR0010671073	Exchange	EUR	155 000 000	155 000 000	-	08/10/2018		NO
17	2 000 000 000	FR0011137918	Euronext Paris	EUR	2 000 000 000	2 000 000 000	-	27/10/2018		YES
29	1 700 000 000	FR0011725407	Euronext Paris	EUR	1 700 000 000	1 700 000 000	-	06/02/2019		NO
18	2 000 000 000	FR0011137926	Euronext Paris	EUR	2 000 000 000	2 000 000 000	-	27/04/2019		YES
25	1 250 000 000	FR0011473495	Euronext Paris	EUR	1 250 000 000	1 250 000 000	-	22/04/2020		NO
11	1 500 000 000	FR0010939207	Exchange	EUR	1 500 000 000	1 500 000 000	-	09/09/2020		NO
14	1 950 000 000	FR0011022094	Exchange	EUR	1 950 000 000	1 950 000 000	-	17/03/2021		NO
31	1 000 000 000	FR0012452217	Euronext Paris	EUR	1 000 000 000	1 000 000 000	-	21/01/2022		NO
23	300 000 000	FR0011223668	Exchange	NOK	39 698 294	31 783 701	7 914 592	22/03/2022		NO
33	1 500 000 000	FR0013113453	Euronext Paris	EUR	1 500 000 000	1 500 000 000	-	12/09/2022	12/09/2023	NO
12	1 650 000 000	FR0010990390	Exchange	EUR	1 650 000 000	1 650 000 000	-	16/01/2023		NO
27	1 350 000 000	FR0011564962	Euronext Paris	EUR	1 350 000 000	1 350 000 000	-	11/09/2023		NO
19	1 250 000 000	FR0011182542	Euronext Paris	EUR	1 250 000 000	1 250 000 000	-	19/01/2024		NO
30	1 000 000 000	FR0011991306	Euronext Paris	EUR	1 000 000 000	1 000 000 000	-	16/06/2024		NO
16	750 000 000	FR0011121185	Exchange	NOK	96 961 862	79 459 253	17 502 609	07/10/2024		NO
34	750 000 000	FR0013236247	Euronext Paris	EUR	750 000 000	750 000 000	-	10/02/2025	10/02/2026	NO
32	1 000 000 000	FR0013065117	Euronext Paris	EUR	1 000 000 000	1 000 000 000	-	07/04/2026	07/04/2027	NO

<b>TOTAL</b>	<b>21 276 790 156</b>	<b>21 357 429 123</b>	<b>- 80 638 968</b>
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(1) **Nominal CV € ALM:** Bonds issued in foreign currencies are valued in euros using the swap exchange rate.

(2) **Nominal CV € reported:** Bonds issued in foreign currencies are valued in euros using the exchange rate as of the closing date.

(3) The differences are due to changes between the swap exchange rate on the issue date and the reported exchange rate as of May 31, 2017.