

2014 U.S. RESOLUTION PLAN



Section 1: PUBLIC SECTION

1.1 Summary of U.S. Resolution Plan

A. Introduction

Societe Generale (SG) submitted its initial U.S. Resolution Plan in December 2013. SG is pleased to present its 2014 U.S. Resolution Plan as required by the final rule (Final Rule) issued pursuant to Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). The Final Rule provides that a foreign banking organization that has \$50 billion or more in total consolidated assets, such as SG, is a “covered company” subject to the resolution plan requirements set forth in the Final Rule. A covered company, on an annual basis, must submit a resolution plan that provides for the covered company’s rapid and orderly resolution (as such term is defined in the Final Rule) in the event of the covered company’s material financial distress (as such term is defined in the Final Rule) or failure.

SG is one of the leading financial services groups in Europe. With its diversified universal banking model, SG combines financial solidity and a sustainable growth strategy with the ambition of being a relationship-focused bank with strong customer-driven relationships, a leader in its markets, and recognized for the quality and the commitment of its teams. SG has over 148,000 employees across 76 countries, who serve more than 32 million customers across the globe. SG conducts business globally through a number of core businesses, including Global Banking and Investor Solutions (GBIS), with approximately 18,000 employees working in 53 countries. The GBIS core business includes Corporate & Investment Banking (SGCIB), Asset and Wealth Management and Securities Services and Brokerage. The booking of certain GBIS transactions, especially derivatives, is centralized in Paris.

SG’s operations in the U.S. are conducted largely within the GBIS core business and through the following legal entities: SG’s New York Branch (SGNY); SG’s U.S. broker-dealer subsidiary, SG Americas Securities, LLC (SGAS); and Newedge USA, LLC (NUSA), a registered broker dealer, swap dealer and futures commission merchant.¹ These entities employ approximately 2,600 employees.

B. Material Entities

The Final Rule defines a material entity as “a subsidiary or foreign office of the covered company that is significant to the activities of a critical operation or core business line.” Consistent with this

¹ On May 1, 2014 SG acquired the remaining 50% stake in Newedge Group bringing its ownership to 100%.

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definition, SG designated the following material entities, three of which are operating entities engaged in external, client-facing businesses and one of which, SG Americas Operational Services, Inc. (SGAOS), provides operational infrastructure support:

Figure 1: Material Entities

Material Operating Entity	Entity Description
SGNY	New York Branch of SG The New York branch of SG is licensed by the New York Department of Financial Services (NYDFS). SG is a registered swap dealer, and SGNY is a swap firm and guaranteed introducing broker registered with the National Futures Association (NFA). Its primary activities are deposit raising, lending, foreign exchange, commodities and management of SG's U.S. dollar (USD) funding position.
SGAS	Broker-Dealer and Primary Dealer SGAS is a Delaware limited liability company with its headquarters in New York. SGAS is a registered securities broker-dealer with the SEC, as well as a swap firm, introducing broker and commodity trading advisor registered with the NFA. Primary activities include SG's U.S. Primary Dealer business and all U.S. cash equities and listed business activities. Clients include money managers, insurance companies, pension funds, hedge funds, depository institutions, corporations, trust banks, money market and mutual funds, and central banks.
NUSA	FCM, Swap Dealer and Broker-Dealer NUSA is a Delaware limited liability company with its headquarters in Chicago, IL. NUSA is a registered broker-dealer, swap dealer and futures commission merchant (FCM). NUSA is a 100% subsidiary of Newedge. NUSA acts as an executing and clearing broker across a wide variety of asset classes, including futures, options on futures, currencies, cleared swaps, securities (including stocks, options and fixed income products) and as principal counterparty on over-the-counter (OTC) derivatives for currencies and commodities. NUSA is primarily self-clearing with respect to securities, cleared swaps and futures activities.
Material Service Entity	Entity Description
SGAOS	Support Services Company SGAOS is a Delaware company with its headquarters in Jersey City, NJ. SGAOS is a service company with no banking operations. It employs most of the staff that provides accounting and finance, human resources, information technology, and operations services to SG's U.S. activities, primarily SGNY and SGAS.

C. Core Business Lines

The Final Rule defines core business lines as “those business lines of the covered company, including associated operations, services, functions and support, that, in the view of the covered company, upon failure would result in a material loss of revenue, profit, or franchise value.” SG

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has identified the following core business lines, based on U.S. activity, consistent with this requirement:

Figure 2: Core Business Lines

Core Business Line	Description
Fixed Income and Currencies (FIC US)	FIC US offers a wide range of flow and derivative products. It provides SG's large institutional investor, bank, broker-dealer and institutional hedge fund clients with personalized solutions to meet asset and liability management, risk management and revenue optimization needs. It also is designated as, and acts as, a U.S. Primary Dealer.
Global Equity Flow (GEF US)	GEF US provides SG's large institutional investor, bank, broker-dealer and institutional hedge fund clients with cash and derivative equity execution across a wide range of products. It supports this activity by providing research and market intelligence for pre-trade, portfolio and investment creation and risk management and trade insight.
Newedge Futures Commission Merchant activity (NUSA FCM)	As a registered FCM, NUSA acts as an executing and clearing broker in U.S. and foreign futures and options on futures to its U.S. and foreign institutional clients, including hedge funds, commodity pools, commodity trading advisers, investment advisers, corporations, professional trading groups, banks and other broker-dealers and FCMs. NUSA is primarily self-clearing with respect to these activities. In connection with this business, NUSA also provides prime brokerage, correspondent clearing, capital introduction and direct market access services.

D. Summary Financial Information Regarding Assets, Liabilities, Capital and Major Funding Sources

The following SG summary financial information was prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in the European Union (EU), as of and for the year ended December 31, 2013. This summary financial information was included in SG's 2014 Registration Document, a French copy of which was filed with the AMF (French Securities Regulator) on March 4, 2014.

Figure 3: SG Key Figures (IFRS)

Key Figures (IFRS)	2013	2012
Results (in EUR millions)		
Net Banking Income	22,831	23,110
Group Net Income	2,175	790
French Networks	1,164	1,291
International Retail Banking	1,020	617
Global Banking and Investor Solutions	1,337	761
Corporate Center	(1,346)	(1,879)
Activity (in EUR billions)		
Total assets and liabilities	1,235	1,251
Customer loans	334	350
Customer deposits	345	337
Assets under management	164	193
Equity (in EUR billions)		
Group shareholder's equity	51	50
Average headcount	148,324	154,009

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Figure 4: SG Balance Sheet (IFRS)

ASSETS

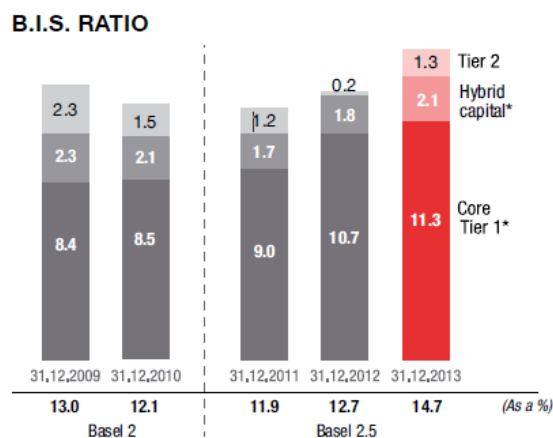
<i>(in billions of euros)</i>	December 31, 2013	December 31, 2012
Cash, due from central banks	66.6	67.6
Financial assets at fair value through profit or loss	484.4	484.0
Hedging derivatives	11.5	15.9
Available-for-sale financial assets	134.6	127.7
Due from banks	84.9	77.2
Customer loans	333.5	350.2
Lease financing and similar agreements	27.7	28.7
Revaluation differences on portfolios hedged against interest rate risk	3.0	4.4
Held-to-maturity financial assets	1.0	1.2
Tax assets and other assets	7.3	59.7
Non-current assets held for sale	56.0	9.4
Deferred profit-sharing	0.1	0.0
Tangible, intangible fixed assets and other	17.6	24.7
Goodwill	5.0	5.3
Total	1,235.3	1,250.9

LIABILITIES

<i>(in billions of euros)</i>	December 31, 2013	December 31, 2012
Due to central banks	3.6	2.4
Financial liabilities at fair value through profit or loss	426.8	411.4
Hedging derivatives	9.8	14.0
Due to banks	91.1	122.0
Customer deposits	344.7	337.2
Securitized debt payables	131.7	135.7
Revaluation differences on portfolios hedged against interest rate risk	3.7	6.5
Tax liabilities and other liabilities	59.8	59.2
Non-current liabilities held for sale	0.0	7.3
Underwriting reserves of insurance companies	97.2	90.8
Provisions	3.8	3.5
Subordinated debt	7.4	7.1
Shareholders' equity	51.0	49.3
Non-controlling Interests	3.1	4.3
Total	1,235.3	1,250.9

As of December 31, 2013, SG had a Basel 2.5 Core Tier 1 ratio of 11.3%. The following table illustrates this and certain other Basel Committee on Banking Supervision (Basel Committee) capital ratios as of December 31, 2009 through December 31, 2013:

Figure 5: SG Basel Committee Capital Ratios



During the 2013 financial year, the liquidity raised under the 2013 financing program amounted to EUR 28.8 billion in senior and subordinated debt. The refinancing sources break down as EUR 5.6 billion in public unsecured senior vanilla issues, EUR 2.8 billion in vanilla private placements, EUR 14.8 billion in structured private placements and EUR 2.4 billion in secured financing (EUR 0.2 billion via the CRH covered bond program and EUR 2.2 billion via the SG SFH covered bond program,), EUR 1.0 billion in subordinated Tier 2 debt and EUR 2.2 billion in deeply subordinated Additional Tier 1 debt.

On March 4, 2014, SG's long-term rating was A2 at Moody's, A at Fitch and A at Standard & Poor's.

E. Derivative and Hedging Activities

SG enters into derivative contracts to satisfy the needs of its clients, for trading purposes and to manage SG's exposure to market and credit risks resulting from its trading and market making activities. As part of SG's risk management policies, SG manages risks associated with derivatives on an aggregate basis.

SG uses derivatives to hedge interest rate, exchange rate, commodity, and equity exposures. Where derivatives are held for risk management purposes, and when transactions meet the

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required criteria for documentation and hedge effectiveness, SG applies fair value hedge accounting, or cash flow hedge accounting, as appropriate to the risks being hedged.

F. Memberships in Material Payment, Clearing and Settlement Systems

SG depends on a number of financial market utilities (FMUs) to execute financial transactions and provide financial services to its clients. These arrangements allow for greater risk management, operational efficiencies and risk reduction in the trading of financial instruments worldwide. The arrangements include payment systems, clearinghouses, securities depositories and central counterparties (CCP) among others.

SG's material memberships or participations in FMUs are set out in the table below:

Figure 6: Material FMU Memberships

System Name	System Type	Member Entity
Clearing House Interbank Payments System (CHIPS)	Payment	SGNY
Federal Reserve Wire Network (Fedwire)	Payment	SGNY and NUSA
Society for Worldwide Interbank Financial Telecommunication (SWIFT)	Payment	SGNY and NUSA
Chicago Mercantile Exchange Clearing House (CME)	Settlement and Clearing	NUSA
Depository Trust & Clearing Corporation (DTCC)	Settlement and Clearing	SGNY and SGAS
Government Securities Clearing Corporation (GSCC)	Settlement and Clearing	SGAS and NUSA
ICE Clear Europe	Settlement and Clearing	NUSA
ICE Clear U.S.	Settlement and Clearing	SGNY
LCH.Clearnet	Settlement and Clearing	NUSA
National Securities Clearing Corporation (NSCC)	Settlement and Clearing	SGAS
New York Portfolio Clearing	Settlement and Clearing	NUSA
Options Clearing Corporation (OCC) Settlement and Clearing	Settlement and Clearing	SGAS and NUSA

G. Description of Foreign Operations

SG is one of the leading financial services groups in Europe. With its diversified universal banking model, SG combines financial solidity and a sustainable growth strategy with the ambition of

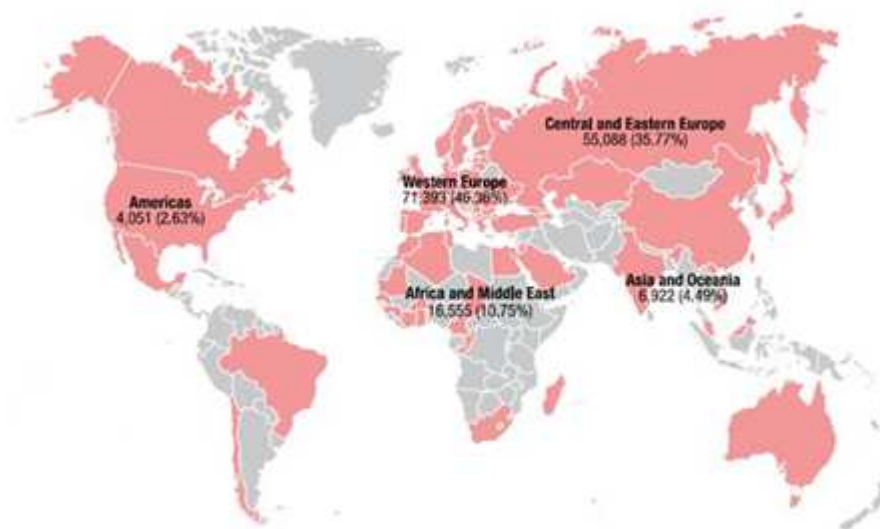
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being the relationship-focused bank, a leader in its markets, close to its customers, and recognized for the quality and the commitment of its teams.

SG has over 148,000 employees across 76 countries, who serve more than 32 million customers across the globe. SG's teams offer advisory and other services to individual customers, companies and institutions as part of three core businesses:

- Retail Banking in France under the SG, Crédit du Nord and Boursorama brands;
- International Retail Banking, which is conducted in Central and Eastern Europe, Russia, the Mediterranean Basin, Sub-Saharan Africa, Asia and in the French Overseas territories;
- GBIS including Corporate & Investment Banking (SGCIB), Asset and Wealth Management and Securities Services and Brokerage

Figure 7 : Global Presence of SG



H. Material Supervisory Authorities

SG's global operations, including its various offices, subsidiaries and affiliates, are subject to a significant body of rules and regulations that are a condition for authorization to conduct banking and financial services business. These apply to business operations and affect financial returns and include reserve and reporting requirements and prudential and conduct of business regulations. These requirements are set by the relevant central banks and regulatory authorities that supervise SG in the jurisdictions in which it operates. The requirements reflect global standards developed by, among others, the Basel Committee and the International Organization of Securities Commissions (IOSCO). They also reflect requirements derived from EU directives.

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SG is subject to the legislative and regulatory provisions relating to credit institutions, notably the articles of the French Monetary and Financial Code that apply to them. As a public limited company, SG is governed by the commercial laws of France, in particular articles L. 210-1 *et seq.* of the French Commercial Code, as well as its current by-laws.

SG is a credit institution authorized under French law to act as a bank. As such, it can carry out all banking transactions. It can also carry out all investment-related services or allied services, as listed by articles L. 321-1 and L. 321-2 of the French Monetary and Financial Code, except for operating a multilateral trading facility. In its capacity as an investment services provider, SG is subject to the regulations applicable to the same. It must comply with a number of prudential rules and is subject to the controls carried out by the French prudential supervision and resolution authority, the *Autorité de Contrôle Prudentiel et de Résolution (ACPR)*.² Its management and all employees are bound by rules governing professional secrecy, violation of which is punishable by French law. SG also acts as an insurance broker outside the U.S.

In the U.S., SG is subject to a comprehensive regulatory structure involving numerous statutes, rules and regulations, including the International Banking Act of 1978, the Bank Holding Company Act of 1956, as amended, the Foreign Bank Supervision Enhancement Act of 1991, the Financial Services Modernization Act of 1999 and the Dodd-Frank Act. Such laws cover the activities of SG, including its U.S. branches and agency and SG's nonbanking subsidiaries, as well as prudential restrictions, such as limits on extensions of credit by SGNY to affiliates. SG and NUSA are swap dealers regulated by the CFTC. SGNY is subject to extensive federal and state supervision and to examination by the Federal Reserve Bank of New York and the NYDFS.

SG's U.S. securities broker-dealer, investment advisory and investment banking operations, which are conducted in SGAS and NUSA, are subject to ongoing supervision and regulation by the SEC, the Financial Industry Regulatory Authority (FINRA), and other government agencies and self-regulatory organizations (SROs) as part of a comprehensive scheme of regulation of all aspects of the securities business under the U.S. federal and state securities laws.

Similarly, SG's U.S. commodity futures and options-related operations, which are conducted in NUSA, a registered FCM, are subject to ongoing supervision and regulation by the U.S. Commodity Futures Trading Commission (CFTC), the NFA, the Chicago Mercantile Exchange and other SROs.

² In July 2013, the *Autorité de Contrôle Prudentiel (ACP)* was renamed the ACPR.

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I. Principal Officers

The members of the SG Board of Directors as of December 31, 2013 are as follows:

Figure 8: SG Board of Directors

Name	Title
Frédéric OUDÉA	Chairman and Chief Executive Officer (CEO)
Anthony WYAND	Vice Chairman, Independent Director
Robert CASTAIGNE	Independent Director
Michel CICUREL	Independent Director
Yann DELABRIÈRE	Independent Director
Jean-Martin FOLZ	Independent Director
Kyra HAZOU	Independent Director
Jean-Bernard LÉVY	Independent Director
Ana Maria LLOPIS RIVAS	Independent Director
Gianemilio OSCULATI	Independent Director
Nathalie RACHOU	Independent Director
Alexandera SCHAAPVELD	Independent Director
France HOUSSAYE	Director elected by Employees
Béatrice LEPAGNOL	Director elected by Employees
Kenji MATSUO	Non-Voting Director

The SG Executive Committee is responsible for strategic management, under the authority of the Chairman and CEO. Its members as of December 31, 2013 are as follows:

Figure 9: SG Executive Committee

Name	Title
Frédéric OUDÉA	Chairman and CEO
Séverin CABANNES Jean-François SAMMARCELLI Bernardo SANCHEZ INCERA	Deputy CEOs
Philippe HEIM	Group Chief Financial Officer
Caroline GUILLAUMIN	Head of Group Communication
Didier HAUGUEL	Co-Head of International Banking and Financial Services
Edouard-Malo HENRY	Head of Group Human Resources
Françoise MERCADAL- DELASALLES	Group Head of Corporate Resources and Innovation
Benoît OTTENWAEALTER	Group Chief Risk Officer
Jean-Luc PARER	Head of International Retail Banking
Patrick SUET	Corporate Secretary and Group Chief Compliance Officer
Didier VALET	Head of Global Banking and Investor Solutions

J. Resolution Planning Corporate Governance Structure and Processes Related to Resolution Planning

SG has developed a governance structure specific to resolution planning, which leverages the existing SG governance framework.

The 2014 U.S. Resolution Plan was sponsored by the Chief Operating Officer (COO) of SG Americas (SG AMER) and led by the Director of U.S. Resolution Planning of the Office of the COO. Working with U.S. Legal, The Director of U.S. Resolution Planning conducted a reassessment of core business lines and material legal entities to determine whether any changes were necessary. The Director of U.S. Resolution Planning performed a thorough review of critical vendors and systems to ensure that any appropriate changes were made in the 2014 U.S. Resolution Plan. To ensure completeness of the content and alignment to the guidance provided by the regulators, SG retained external legal counsel to review the 2014 U.S. Resolution Plan and provide legal and regulatory advice.

The Director of U.S. Resolution Planning continued to work closely with SG's Office of Resolution and Recovery Planning (RRP) in Paris to provide an update to the U.S. Chapter to the Global Resolution Plan, which contained updated financial information as of December 31, 2013. The RRP team is SG's main liaison to SG's Crisis Management Group, which, under the leadership of the ACPR, includes representatives from the Federal Reserve, the FDIC, and the NYDFS.

The SG Board of Directors is responsible for approving the U.S. Resolution Plan annually. As permitted by the Final Rule, the SG Board of Directors expressly delegated authority to approve the 2013 initial U.S. Resolution Plan and any subsequent updates before filing. The 2014 U.S. Resolution Plan was presented to the SG AMER CEO, and subsequently approved for submission to the Federal Reserve and the FDIC.

SG continues to review the processes for development and maintenance of the U.S. Resolution Plan.

K. Description of Material Management Information Systems

SG uses a broad range of critical management information systems (MIS), which provide flexible client and business intelligence reporting, to compete at the highest level in an evolving business and regulatory climate. Key MIS generate multiple reports to support the business and senior management to monitor and manage the financial health, risks and operations of SG. Risk management, accounting, financial and regulatory reporting provide the basis for developing reports to assess material entities and core businesses.

SG operates a Business Continuity Management program to facilitate business recovery planning and validation, and to execute expeditious and effective crisis response. This protects customers,

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shareholders and businesses from experiencing any major disruption and allows for recovery of data and information if needed, in a planned and controlled manner. A data repository has been developed to maintain critical information on all technology services used within the bank.

SG's MIS are designed to collect, maintain and report information in a timely manner. Policies and minimum standards apply to MIS required for business operations to ensure consistency in planning and implementation in a managed and secured manner.

Key MIS include:

- Market risk: Provide information to manage capital risks arising from financial market events, including the production of value-at-risk and other statistical indicators of risk.
- Finance: Provide information in support of product control, financial control, and regulatory reporting as well as shared data information, including the production of detailed profit and loss analysis and reporting, entity financial statements, and regulatory capital reporting.
- Counterparty risk: Provide information to manage the accounting and hedging of derivative credit risk, including the production of credit valuation adjustment and specialized risk capabilities for other product segments.
- Treasury & liquidity: Provide information to manage liquidity risk, and the liquidity, funding and capital allocation processes, including a wide range of funding considerations.
- Compliance: Provide information to manage risks arising from compliance with regulators around the globe, including anti-money laundering, sanctioning, surveillance and case management tools.
- Procurement: Provide information to manage global procurement information including contracts and vendors.
- Credit risk: Provide information to manage capital and risks arising from the creditworthiness of clients and trading partners, including trade capture and processing, eTrading, risk aggregation, marking, pricing and valuation services. Processes include document management and client on-boarding, including credit support and netting agreements.
- Equity, fixed income and currencies, and commodities: Provide state-of-the-art risk platforms that produce consistent and aggregated snapshots of valuations, risk and profit and loss at regular intervals throughout the day and at end-of-day, including valuation and pricing services, trade booking, straight-through-processing, lifecycle management,

corporate action processing and downstream settlements for all cash and derivative products.

L. Description of U.S. Resolution Strategy

Consistent with the requirements of the Final Rule, SG has prepared a strategic analysis consisting of U.S. resolution strategies for its material entities and core business lines in the event of the failure of SG and its material entities in a manner that does not pose risks to the financial stability of the United States.

This U.S. Resolution Plan assumes that SG experiences a single, large and adverse event that is idiosyncratic to SG during a time when the U.S. and global financial systems are not experiencing a system-wide financial panic or crisis. The idiosyncratic event creates widespread concerns from market participants about SG, which causes SG's material entities to experience a rapid runoff of their businesses for a 30-day period following the idiosyncratic event. After this 30-day period, SG, on a global consolidated basis, is further assumed to reach a point of non-viability. At the point of non-viability, SG enters into French resolution proceedings and the material entities, except for SGAOS, fail and enter their respective U.S. insolvency regimes. At that point, runoffs have significantly reduced the complexity and size of the material entities and core business lines that must be resolved, leaving a much smaller set of assets and liabilities to be wound down. SGAOS, the material entity that provides services to SGNV and SGAS, would voluntarily enter liquidation proceedings at a later date.

Under the French resolution law (the French Banking Act enacted July 26, 2013), the resolution approach to be applied to SG in France is determined by the ACPR, which can apply a broad range of resolution tools, including bail-in or reorganization in France. In July 2014, the ACPR said that it would resolve SG under an SPE approach. Nevertheless, as required by the Federal Reserve and the FDIC, the strategy described by this U.S. Resolution Plan illustrates all material entities failing and entering U.S. resolution proceedings. The U.S. Resolution Plan also includes a discussion of how impediments and proposed mitigants would change under baseline, adverse and severely adverse economic conditions.