

# Step-Up Note 28 USD

USD debt instrument with capital 100 % guaranteed at maturity<sup>(1)</sup>

This debt instrument is an alternative to a "bond" type instrument. It is a special issuing vehicle under Luxembourg law.

- **Issuer:** BGL BNP Paribas S.A.<sup>(2)</sup>  
The investor bears the risk of the Issuer entering bankruptcy or defaulting.
- **Investment period required to benefit from the repayment formula:** 3 years.  
The investor bears a risk of capital loss that cannot be determined in advance in the event of redemption during the product's lifetime.
- **Eligibility:** Securities account.

(1) Except in the event of the bankruptcy of or payment default by the Issuer.

(2) BGL BNP Paribas Base Prospectus dated 20 June 2018 sets out the following ratings: BGL BNP Paribas's long-term credit ratings are A1 with a stable outlook (Moody's France S.A.S. ("Moody's")), A with a stable outlook (Standard & Poor's Credit Market Services France S.A.S. ("S&P")) and A+ with a stable outlook (Fitch France S.A.S. ("Fitch")) and BGL BNP Paribas's short-term credit ratings are P-1 (Moody's), A-1 (S&P) and F1 (Fitch). Moody's credit rating in respect of the Programme is (P)A2 (Senior Unsecured). S&P's credit ratings in respect of the Programme are: (i) A (Senior Unsecured Debt maturing in one year or more) and (ii) A-1 (Senior Unsecured Debt maturing in less than one year). Fitch's credit ratings in respect of the Programme are A+ (long-term senior unsecured) and F1 (short-term senior unsecured).

Communication of a promotional nature

## SUBSCRIPTION PERIOD:

From 4 October 2018 to 8 November 2018



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**Step-Up Note 28 USD** features the following characteristics:

- An investment period of **3 years**
- A coupon payment every six months, calculated on a per annum basis (at 30/360); the rate increases each semester and is known since inception
- Repayment of the full amount of capital invested in USD at maturity, unless the Issuer enters bankruptcy or defaults

**Step-Up Note 28 USD is intended to be a diversification instrument, which cannot constitute an entire investment portfolio.**

#### **NB :**

The gains presented in this document do not necessarily correspond to those actually obtained by the investor. Specifically:

- The term “capital” refers to the nominal value of the product (i.e. USD 1,000). The repayment amounts indicated are expressed as a proportion of this nominal value and not necessarily of the sums paid by the investor. The nominal value and the amount paid by the investor may differ if, for example, the product is purchased outside the subscription period.
- Capital repayments and the payment of any gains:
  - will be made in USD. Depending on exchange rate fluctuations, the investor may therefore suffer a loss of capital if the capital and gains are converted into EUR
  - shall only fall due at the time of repayment specified by the formula at maturity<sup>(1)</sup>. In the event of redemption during the lifetime of the product, the formula will not apply and the resale price will depend upon prevailing market conditions
  - are gross of custody fees or deductions for tax and social security
  - are subject to the credit risk of the Issuer.

### **+ ADVANTAGES**

- **Payment of a coupon that increases every six months:** a coupon is paid to the investor every six months. The coupon rate is calculated on a per annum basis (at 30/360), increases each semester and is known from the start of the year.
- **Repayment of capital in full at maturity:** the capital is 100%<sup>(2)</sup> guaranteed at maturity.

### **- DISADVANTAGES**

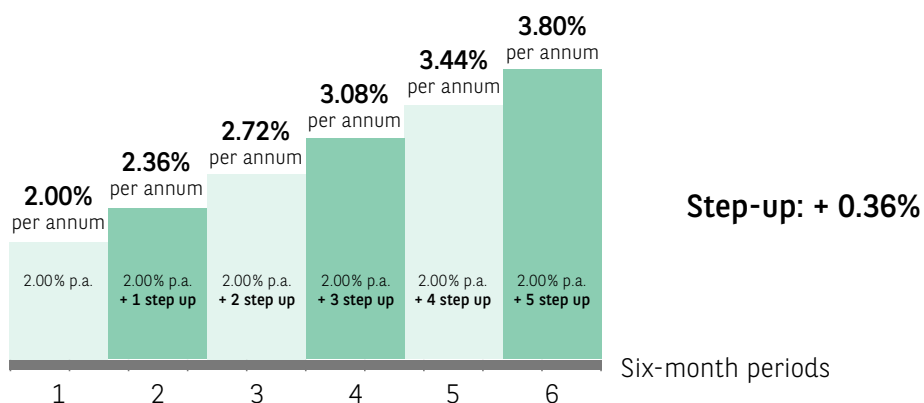
- **Risk of capital loss during the product's lifetime:** in the event of redemption during the product's lifetime, the repayment formula shown here will not apply and the selling price will depend upon prevailing market conditions at the time of redemption.
- **Credit risk:** the investor bears the risk of the Issuer entering bankruptcy or defaulting.
- **The product's performance may be worse than that of a direct investment in a risk-free investment over the same period.**
- This instrument is issued and denominated in USD. If the investor's reference currency is not the US dollar, they bear the associated exchange rate risk. Changes in the exchange rate between these two currencies may be larger than the coupons offered by this instrument.

(1) At maturity, on 15 November 2021, the investor will receive the amount initially invested along with the last coupon payment provided by the coupon formula<sup>(2)</sup>.

(2) Except in the event the Issuer enters bankruptcy or defaults.

# MECHANISM

On 15 May and 15 November each year, the investor will receive a coupon<sup>(1)</sup> payment at the following rate:



Coupons are calculated every six months, in proportion to the number of days that have elapsed between two coupon payment dates according to the 30/360 method. Under this method, each month is deemed to have 30 days and each year 360 days. At each coupon payment date, the Investor will therefore receive a coupon payment in accordance with the following formula:

**Coupon formula:**  $\text{Coupon paid} = \text{per annum coupon} \times 6 \text{ months} \times (30/360)$

The investor will receive the following coupon payments:

- On 15 May 2019, a coupon payment of 1.00%, i.e. a coupon Step-Up of 2.00% per annum for the first six-month period
- On 15 November 2019, a coupon payment of 1.18%, i.e. a coupon Step-Up of 2.36% for the second six-month period
- On 15 May 2020, a coupon payment of 1.36%, i.e. a coupon Step-Up of 2.72% for the third six-month period
- On 15 November 2020, a coupon payment of 1.54%, i.e. a coupon Step-Up of 3.08% for the fourth six-month period
- On 15 May 2021, a coupon payment of 1.72%, i.e. a coupon Step-Up of 3.44% for the fifth six-month period
- On 15 November 2021, a coupon payment of 1.90%, i.e. a coupon Step-Up of 3.80% for the sixth six-month period

## MAIN RISK FACTORS

- **Market risks** – The price of the product changes over its lifetime in line with a number of parameters, in particular, interest rates and Issuer credit quality.
- **Risk resulting from the nature of the product** – In the event of redemption during the product's lifetime, the potential gain or loss cannot be measured in advance, as the price applied depends upon prevailing market conditions.
- **Liquidity risk** – Certain exceptional market conditions may make it difficult or even impossible to resell the product during its lifetime.
- **Credit risk** – The investor bears the risk of the Issuer entering bankruptcy or defaulting.
- **Foreign exchange risk** – As the product is denominated in USD, should the investor wish to convert the capital and any gain into EUR at maturity, these amounts may be reduced or increased in line with fluctuations in the exchange rate. This risk arises in particular for investors who do not have a USD currency account.

(1) Except in the event the Issuer enters bankruptcy or defaults.

# KEY FEATURES

<b>ISIN code:</b>	XS1886401501
<b>Legal form:</b>	EMTN, Euro Medium Term Notes, debt instruments governed by English law guaranteeing repayment of the full amount invested at maturity
<b>Issuer:</b>	BGL BNP Paribas S.A. <sup>(1)</sup> , a special issuing vehicle governed by the law of Luxembourg.
<b>Issue amount:</b>	USD 3,000,000 to USD 50,000,000
<b>Nominal value:</b>	USD 1,000
<b>Currency:</b>	USD
<b>Issue price:</b>	100%
<b>Eligibility:</b>	Securities account
<b>Available to the public:</b>	Yes, in Luxembourg only
<b>Subscription:</b>	From 4 October 2018 to 8 November 2018
<b>Capital guarantee:</b>	<b>100% at maturity</b> , except in the event that the Issuer enters bankruptcy or defaults.
<b>Distribution fees:</b>	Fees relating to this transaction have been paid by BGL BNP Paribas S.A. to the distributor. These fees cover distribution costs, and are capped at 0.50% per year of the issue amount, including taxes. These fees are included in the purchase price. Details are available on request from the distributor.
<b>Issue date:</b>	15 November 2018
<b>Coupon:</b>	Per annum fixed rate paid semi-annually, non-adjusted, according to the 30/360 method
<b>Coupon payment date:</b>	15 May and 15 November each year, from 15 May 2019 inclusive until 15 November 2021 inclusive
<b>Business Days Convention :</b>	Modified Following
<b>Business Day for Payment :</b>	London New York
<b>Maturity date:</b>	15 November 2021
<b>Valuation:</b>	Daily valuation published on Reuters (XS = BPGL) page and on Bloomberg. Valuations available to the public at any time on request.
<b>Calculation agent:</b>	BNP Paribas S.A. (part of the BNP Paribas Group).
<b>Liquidity:</b>	Daily: under normal market conditions, redemptions and subscriptions (up to the available amount) are possible on a daily basis during the product's lifetime at the market price and with a maximum bid/ask spread of 1%.

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Step-Up Note 28 USD (hereinafter the "Debt Securities") are debt securities with capital 100% guaranteed at maturity (except in the event of the bankruptcy of or payment default by the Issuer) issued by BGL BNP Paribas SA. (Special issuing vehicle governed by the law of Luxembourg); subscription, investment and resale may only occur by offer to the public in Luxembourg. The key features of the Debt Securities presented in this brochure only constitute a summary. It is the responsibility of investors to understand the risks, advantages and disadvantages associated with an investment in the Debt Securities, and a decision to invest should only be made after having seriously examined the compatibility of an investment in the Debt Securities with reference to their own financial circumstances, this brochure and the legal documentation relating to the Debt Securities together with their own advisers, without any reliance on any entity in the BNP Paribas Group. These materials may not be construed as providing investment advice or advice of a legal, tax, or accounting nature. Although all reasonable measures have been taken to ensure the accuracy of the information that it contains, neither BGL BNP Paribas, any company related to it, nor any of its directors, collaborators, or employees may be held liable for all direct or indirect damages, losses, costs, claims, compensation, or other expenditure that would result from referring to or using this document, except in cases of willful misconduct or gross negligence. Although all reasonable measures have been taken to ensure the accuracy of the information that it contains, neither BGL BNP Paribas, any company related to it, nor any of its directors, collaborators, or employees may be held liable for all direct or indirect damages, losses, costs, claims, compensation, or other expenditure that would result from referring to or using this document, except in cases of willful misconduct or gross negligence. The BNP Paribas Group cannot be held liable for any financial or other consequences resulting from payments made in relation to the Debt Securities. Investors must carry out their own risk analysis and must, if necessary, consult their own legal, financial, tax, accounting or other professional advisors in advance. **The legal documentation relating to the Debt Securities comprises: (a) the Base Prospectus for the Issuance of Notes, dated 20 June 2018, (b) its Supplements if any, (c) the Final Terms dated 4 October 2018, as well as (d) the Issue-Specific Summary. Investors are asked to read carefully the section of the Base Prospectus entitled "Risk factors". The attention of investors is drawn in particular to the fact that, by acquiring the Debt Securities, they are taking on a credit risk in relation to the Issuer.** In the event of any discrepancy between this brochure and the legal documentation for the Debt Securities, the latter shall prevail. The Final Terms are available on the website: <https://www.bgl.lu/fr/banque/pages/particuliers/particuliers/mon-epargne-et-mes-placements/mes-placements/produits-structures/produits-structures-documents-officiels.htm>

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