

1 July 2014



Message from Jean-Laurent Bonnafé to Retail Banking Clients

Dear Sir/Madam,

I am writing to you about the "US embargo" issue that you have probably heard of.

For several years, the United States has been investigating commercial banking transactions carried out in US dollars by international banks with countries subject to US embargoes. Several banks have already settled with the US authorities in similar cases.

BNP Paribas, a leading bank in international trade, has agreed a settlement with the US authorities in connection with transactions initiated by its International Oil & Gas Energy Commodity Finance business. We were unable to comment while the process was still ongoing but now I am in a position to talk about it.

As part of a settlement which will enable us to put these past events behind us, secure our future and serve our clients, BNP Paribas has accepted its responsibility for its conduct and has agreed to pay a fine of USD 8.97 billion.

What happened? Embargo legislation is not only complex, but it also evolves over time. Accordingly, even though the transactions in question, which were carried out by international banks like BNP Paribas, would have been considered permissible from a French and European regulatory standpoint, they were performed in US dollars, and were therefore progressively penalised by the US authorities.

In this context, failings and practices in breach of the Bank's ethics took place within the Oil & Gas Energy & Commodity Finance business (which represents less than 1% of the Bank's total activity).

Individual failings were discovered in this business. Certain employees deliberately circumvented US rules and did not comply with General Management's decisions that prohibited this business in the countries concerned as from 2007. Aside from these individual failings, there was also a lack of vigilance and responsiveness.

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These problems should never have occurred. I would like to express my deep regret on behalf of BNP Paribas.

We have obviously learned lessons from these failings, which are contrary to our values and to our commitment to responsible banking. We have significantly strengthened our internal controls and processes, and have taken the necessary disciplinary measures.

These decisions were implemented in order to avoid the recurrence of such problems. **You can count on me to oversee this personally.**

I wanted to give you this information myself because I believe that it is the duty of a responsible bank to inform its clients of both its difficulties and its successes.

At this particular moment in our Group's history, and **in the name of all BNP Paribas teams, I would like to sincerely thank you for the loyalty and trust that you show us.**

In this regard, whether you are an individual client, a small business owner, a self-employed professional, an entrepreneur, or a company manager, I assure you that this specific issue will have absolutely no impact on you. I reiterate our determination and our ability to support you in all your personal and professional projects. **The absolute safety of all the assets that you have entrusted to BNP Paribas is guaranteed** and obviously there will be no changes to our pricing policy.

Finally, you should also know that this issue will not change the employment conditions of the BNP Paribas teams, who strive to perform exemplary work every day.

BNP Paribas is one of the most solid banks in the world. Our ambition remains unchanged: to be a responsible and innovative bank determined to serve and support you in a changing world.

This is the goal of all the BNP Paribas teams. You can count on their commitment, dependability and professional expertise. They of course remain at your entire disposal.

Please rest assured that our single goal remains the same: to deserve the trust that you place in us.

Yours faithfully

Jean-Laurent Bonnafé
Chief Executive officer