Offering Circular dated 21 April 2022

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SEINE-ET-MARNE DEPARTMENT

€1,000,000,000

Euro Medium Term Note Programme

Under the Euro Medium Term Note Programme (the "**Programme**") described in this offering circular (the "**Offering Circular**"), Seine-et-Marne Department (the "**Issuer**", the "**Department**", "**Seine et Marne**" or "**Seine-et-Marne Department**"), subject to compliance with all relevant laws, regulations, and directives, may from time-to-time issue Euro Medium Term Notes (the "**Notes**"). The aggregate nominal amount of Notes outstanding will not at any one time exceed €1,000,000,000 (or its equivalent in any other currency at the Pricing Supplement determination date). The Notes will constitute *obligations* under French law.

This Offering Circular supersedes and replaces the offering circular dated 3 November 2020.

Pursuant to article 1.2 of regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended (the "**Prospectus Regulation**"), the Issuer, in its capacity as a local authority of a Member State of the European Economic Area (the "**EEA**"), is not subject to the requirements of the Prospectus Regulation. Consequently, this Offering Circular constitutes neither a base prospectus nor a prospectus within the meaning of the Prospectus Regulation, and therefore has not been subject to approval by the *Autorité des marchés financiers*. The Issuer undertakes to update the Offering Circular annually.

Under certain circumstances, an application for admission to trading of the Notes on the regulated market of Euronext in Paris ("**Euronext Paris**") may be presented. Euronext Paris is a regulated market for the purposes of the directive 2014/65/EU of European Parliament and of the Council dated 15 May 2014, relating to financial instruments markets, as amended, appearing on the list of regulated markets published by the European Securities and Markets Authority (such market being a "**Regulated Market**"). Notes issued may also be listed and admitted to trading on any other Regulated Market in such Member State of the EEA or on a non-regulated market, or not admitted to trading on any stock exchange. The relevant pricing supplement prepared in respect of any issue of Notes (the "**Pricing Supplement**", a form of which is included in this Offering Circular) will specify whether or not such Notes will be subject to a request for admission to trading and, where applicable, the relevant Regulated Market(s) or non-regulated market(s).

Notes shall have a denomination of at least €100,000 (or its equivalent in any other currency) or any other greater amount that may be authorised or required by the relevant monetary authority or by any law or regulation applicable to the specified currency.

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**") as more fully described in this Offering Circular.

Dematerialised Notes will at all times be in book entry form in compliance with Articles L.211-3 *et seq.* of the French *Code monétaire et financier*. No physical documents of title will be delivered in respect of the Dematerialised Notes. Dematerialised Notes may be issued, at the option of the Issuer (a) in bearer form (*au porteur*) inscribed as from their issue date in the books of Euroclear France (acting as central depositary) which shall credit the accounts of the Account Holders (as defined in "Terms and Conditions of the Notes - Form, denomination and title") including Euroclear Bank SA/NV ("**Euroclear**") and the depositary bank for Clearstream Banking, SA ("**Clearstream**"), or (b) in registered form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in "Terms and Conditions of the Notes - Form, denomination and title"), in either fully registered form (*au nominatif pur*), in which case they will be inscribed in an account in the books of the Issuer or by a registration agent (appointed in the relevant Pricing Supplement) on behalf of the Issuer, or in administered registered form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Account Holder designated by the relevant Noteholder.

Materialised Notes will be in bearer materialised form only and may only be issued outside the French territory. A temporary global certificate in bearer form without interest coupon attached (a "**Temporary Global Certificate**") will initially be issued in relation to Materialised Notes. Such Temporary Global Certificate will subsequently be exchanged for definitive Materialised Notes (the "**Definitive Materialised Notes**") with, where applicable, coupons for interest, at the earliest on, or after a date falling about, the fortieth (40th) calendar day after the issue date of the Notes (subject to postponement as described in "Temporary Global Certificate in respect of Materialised Notes" section) upon certification as to non-U.S. beneficial ownership (*U.S. Persons*), in accordance with the U.S. Treasury regulations, as more fully described in this Offering Circular. Temporary Global Certificates will (a) in the case of a Tranche (as defined in "Terms and Conditions of the Notes") intended to be cleared through Euroclear and/or Clearstream, be deposited on the issue date with a common depositary for Euroclear and Clearstream or (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer (as defined in the chapter "General Description of the Programme").

The Programme is rated AA by Standard & Poor's Global Ratings Europe Limited ("**Standard & Poor's**") and such rating may be viewed on the Issuer's website (https://seine-et-marne.fr/fr/rating-financiere) or at the following address: www.standardandpoors.com/en_US/web/guest/ratings/details/-/instrument-details/debtType/COMMPAPER/entityId/119893. In addition, Standard & Poor's has confirmed on 8 November 2021 a rating AA (stable long-term outlook) to the debt of the Issuer and an A-1+ short-term rating. As of the date of the Offering Circular, Standard & Poor's is a credit rating agency established in the European Union, registered in accordance with regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**") and included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority ("**ESMA**") (www.esma.europa.eu) in accordance with the CRA Regulation. Notes issued under the Programme may, or may not, be rated. The rating of Notes (if any) will be specified in the relevant Pricing Supplement. It will not necessarily be the same as the rating assigned to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency without prior notice.

This Offering Circular, any Amendment (as defined in the chapter "Amendment to the Offering Circular") thereto and, as long as Notes will be admitted to trading on a Regulated Market, the Pricing Supplement applicable to such Notes shall be (a) published on the website of the Issuer (https://seine-et-marne.fr/fr/notation-financiere) and (b) available for inspection and copy, free of charge, during normal business days and hours, at the office of the Issuer and at the specified office(s) of the Paying Agent(s).

Potential investors are invited to take into account risks described in the "Risk Factors" section before deciding to invest in the Notes.

ARRANGER
CRÉDIT AGRICOLE CIB

PERMANENT DEALERS

BRED BANQUE POPULAIRE	**CRÉDIT AGRICOLE CIB**
CRÉDIT MUTUEL ARKEA	**HSBC**
NATIXIS	**SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING**

This Offering Circular (together with any Amendment related thereto) constitutes an offering circular which contains or incorporates by reference all relevant information on the Issuer necessary to enable investors to make an informed assessment of the assets, the activity, the financial position, the results and the prospects of the Issuer, as well as the rights attached to the Notes. Each Tranche (as defined in the chapter "Terms and Conditions of the Notes") of Notes will be issued pursuant to the provisions contained in the chapter "Terms and Conditions of the Notes", as supplemented and/or amended by the provisions of the relevant Pricing Supplement determined by the Issuer and the relevant Dealers at the time of the issue of such Tranche. The Offering Circular (together with any Amendment related thereto) and the Pricing Supplement shall be read together.

The Issuer confirms that, after having taken all reasonable measures in this regard, all the information contained or incorporated (or deemed to be incorporated) by reference in this Offering Circular is, to the best of its knowledge, in accordance with the facts and does not omit any elements likely to affect its import. The Issuer assumes the responsibility thereto.

This Offering Circular does not constitute an invitation or an offer made by or on behalf of the Issuer, the Dealers, or the Arranger to subscribe or purchase any Notes.

No person is or has been authorised to give any information or to make any representation other than those contained or incorporated (or deemed to be incorporated) by reference in this Offering Circular in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any of the Dealers. Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the position (in particular, the financial position) of the Issuer since the date of this Offering Circular or since the date of the most recent Amendment related thereto or that any other information supplied in connection with this Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Neither the Issuer, the Arranger nor the Dealers give any warranty that this Offering Circular will be distributed in accordance with the laws or that the Notes will be offered in accordance with the law, in compliance with any applicable legislation or any other requirement in any jurisdiction or pursuant to any applicable exemption and they shall not be held liable for having facilitated any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger or the Dealers which is intended to permit a public offering to investors other than qualified investors of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any 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 Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions.

For a description of these and certain further restrictions on offers, sales and transfers of Notes and on distribution of this Offering Circular, potential investors are advised to see "Subscription and Sale".

Neither the Arranger nor any of the Dealers has verified the information or representation contained or incorporated (or deemed to be incorporated) by reference in this Offering Circular. Neither the Arranger nor any of the Dealers makes any representation, express or implied, or accept any responsibility, with respect to the sincerity, accuracy or completeness of any of the information contained or incorporated (or deemed to be incorporated) by reference in this Offering Circular. Neither this Offering Circular nor any other information supplied in connection with the Programme is intended to provide the basis of any financial assessment or any other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Offering Circular or other information supplied in connection with the Programme should purchase the Notes. Each prospective investor of Notes should determine for itself the relevance of the information contained or incorporated (or deemed to be incorporated) by reference in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. Neither the Arranger nor any of the Dealers has reviewed nor undertakes to review the financial or general condition of the Issuer during the validity period of this Offering Circular nor to pass on to any investor or prospective investor any information of which it becomes aware.

Investors are hereby informed that the tax law of the investor's Member State and of the Member State where the Issuer was organised may have an impact on the income received from the Notes. Investors or

beneficiaries of the Notes may consult their tax advisor on the tax consequences of any acquisition, possession, or disposal of Notes according to their own situation.

MiFID II - Product Governance/Target Market - The Pricing Supplement in respect of any Tranche of Notes will include a legend entitled "MiFID II – Product Governance" which will outline the target market assessment in respect of the Notes and which distribution channels for the Notes are appropriate, taking into account the five (5) categories referred to in item 18 of the guidelines on product governance requirements published by ESMA on 5 February 2018. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into account such target market assessment. However, a distributor subject to directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014, as amended ("MiFID II") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to the issue of each Tranche of Notes about whether, for the purpose of the MiFID product governance rules under Commission Delegated Directive (EU) 2017/593 of 7 April 2016 (the "MiFID Product Governance Rules"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR - Product Governance/Target Market - The Pricing Supplement in respect of any Tranche of Notes will include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment, taking into account the five (5) categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 (in accordance with the FCA's policy statement entitled "Brexit our approach to EU non-legislative materials") in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MIFIR Product Governance Rules.

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GENERAL DESCRIPTION OF THE PROGRAMME

The following general description shall be read subject to the other information contained in this Offering Circular.

The Notes will be issued according to the Terms and Conditions set out on pages 26 to 51 of this Offering Circular, as supplemented and/or amended by the provisions of the relevant Pricing Supplement agreed between the Issuer and the relevant Dealer(s).

Terms and expressions defined in "Terms and Conditions of the Notes" below shall have the same meanings in this section. References below to "Conditions" refer, unless the context requires otherwise, to the numbered paragraphs in the "Terms and Conditions of the Notes" section.

Issuer:	Seine-et-Marne Department.
Issuer's LEI Code:	969500V08Y2PG8JTLG42
Arranger:	Crédit Agricole Corporate and Investment Bank
Dealers:	BRED Banque Populaire, Crédit Agricole Corporate and Investment Bank, Crédit Mutuel Arkéa, HSBC Continental Europe, Natixis and Société Générale. The Issuer may from time to time terminate the appointment of any Dealer (as defined below) under the Programme or appoint additional Dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to "**Permanent Dealers**" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated), and any reference to "**Dealers**" means any Permanent Dealers and any other person appointed as a Dealer in respect of one or more Tranches.
Description:	Euro Medium Term Note Programme. The Notes issued will constitute *obligations* under French law.
Programme limit:	Up to €1,000,000,000 aggregate nominal amount of Notes outstanding at any one time (or its equivalent in any other currency calculated at the Pricing Supplement determination date).
Fiscal Agent and Principal Paying Agent:	CACEIS Corporate Trust.
Calculation Agent:	Unless the relevant Pricing Supplement provide otherwise, CACEIS Corporate Trust.
Risk factors:	There are risk factors that the Issuer considers to be determining factors to make a decision to invest in the Notes and/or that may affect its ability to fulfil its obligations under the Notes towards investors. These risks are uncertain and the Issuer is not in a position to comment on the possible occurrence of these risks. They are described in the "Risk Factors" section of this Offering Circular.
Method of Issue:	Notes may be issued on a syndicated or non-syndicated basis. The Notes will be issued in Series on the same or at different issue dates, the Notes of the same Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued by Tranches, on the same issue date or on different issue dates and under identical terms to those of other Tranches of the same Series, except for the issue price and, where applicable, the issue date, the first interest payment, and the aggregate nominal amount of the Tranche.

	The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price, and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the relevant Pricing Supplement.
Currency:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in euro, U.S. dollars, Japanese yen, Swiss francs, pounds sterling and in any other currency agreed between the Issuer and the relevant Dealer(s), as set out in the relevant Pricing Supplement.
Denomination:	Notes will be issued in the Specified Denomination(s), as specified in the relevant Pricing Supplement. Notes shall have a denomination of at least €100,000 (or its equivalent in any other currency) or any other greater amount that may be authorised or required by the relevant monetary authority or by any law or regulation applicable to the Specified Currency. Dematerialised Notes shall be issued in one denomination only.
Status of the Notes:	The obligations of the Issuer under the Notes and, where applicable, any Receipts and Coupons constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsubordinated and unsecured obligations of the Issuer.
Negative pledge:	So long as any of the Notes or, if applicable, any Receipts or Coupons, remain outstanding (as defined below), the Issuer undertakes that it will not grant or permit that subsist any lien, mortgage, pledge or any other form of security interest upon any of its assets, rights or revenue, present or future, to secure any present or future indebtedness for borrowed money, subscribed or guaranteed by the Issuer, represented by *obligations*, securities or other notes which are (or are capable of being) admitted to trading on any stock exchange or any other securities market, unless the Issuer's obligations under the Notes, Receipts and Coupons are equally and rateably secured therewith.
Events of default (including cross default):	The terms and conditions of the Notes contain events of default in respect of the Notes as set out in Condition 9.
Redemption amount:	Subject to any applicable laws and regulations, the relevant Pricing Supplement will specify the basis for calculating the redemption amounts payable chosen from among the options described in Condition 6.
Final redemption:	Unless previously redeemed or purchased and cancelled, each Note shall be redeemed on the Maturity Date specified in the relevant Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) indicated in the relevant Pricing Supplement or, in the case of a Note falling within Condition 6(b), its final Instalment Amount.
Optional redemption:	The relevant Pricing Supplement will state whether Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders, and if so, the terms and conditions applicable to such redemption, among the options and terms and conditions described in Condition 6(c) and Condition 6(d).

Redemption by instalments: The relevant Pricing Supplement issued in respect of Notes that are redeemable in two or more instalments in accordance with Condition 6(b) will set out the dates on which, and the amounts in which, such Notes may be redeemed.

Early redemption: Except as provided in the "Optional Redemption" paragraph above, Notes will be redeemable at the option of the Issuer prior to their stated maturity only for taxation reasons or in case of illegality. See Condition 6(f) and Condition 6(i).

Withholding tax: All payments of principal, interest and other revenue attached to the Notes by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments, or governmental charges of whatever nature imposed, levied, collected, withheld, or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction becomes required by law.

If French law should require that payments of principal, interest or other revenue in respect of any Note, Receipt or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer shall, to the fullest extent permitted by law, pay such additional amounts as will result in receipt by the Noteholders, Receiptholders and Couponholders of the amounts that would have been received by them had no such requirement to deduct or withhold been required, subject to some exceptions more fully described in Condition 8.

Interest Periods and Rates of Interest: For each Series, the duration of Interest Periods of the Notes, the applicable Rate of Interest and the method of calculation may differ or be identical, depending on the Series. Notes may have a Maximum Rate of Interest, a Minimum Rate of Interest, or both. Notes may bear interest at different rates during the same Interest Period due to the use of Interest Accrual Periods. The relevant Pricing Supplement will specify all such information among the options and terms and conditions described in Condition 5.

Fixed Rate Notes: Interest on Fixed Rate Notes will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement.

Floating Rate Notes: Floating Rate Notes will bear interest determined separately for each Series as follows, as specified in the relevant Pricing Supplement:

(i) On the same basis as the floating rate applicable to a notional interest rate swap transaction in the Specified Currency in question, in accordance with the FBF Master Agreement; or

(ii) On the basis of a reference rate appearing on an agreed screen page of a commercial quotation service (including, without limitation, EURIBOR (TIBEUR in French)),

in each case as adjusted by reference to any applicable Margin and/or Rate Multiplier. Calculations and Interest Periods shall be specified in the applicable Pricing Supplement. Floating Rate Notes may also have a Maximum Rate of Interest, a Minimum Rate of Interest or both. Unless a higher Minimum Rate of Interest is specified in the relevant Pricing Supplement, the Minimum Rate of Interest shall be deemed to be zero per cent.

Fixed/Floating Rate Notes: Each Fixed/Floating Rate Note bears interest at a rate which may be converted from a Fixed Rate to a Floating Rate or from a Floating Rate to

	a Fixed Rate, at the date specified in the relevant Pricing Supplement (subject to notifying the Noteholders) or automatically.
Zero Coupon Notes:	Zero Coupon Notes may be issued at their nominal amount or at a discount to par and will not bear interest.
Form of Notes:	Notes may be issued as either Dematerialised Notes or as Materialised Notes. Dematerialised Notes may, at the option of the Issuer, be issued in bearer form (*au porteur*) or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder, in either fully registered form (*au nominatif pur*) or administered registered form (*au nominatif administré*). No physical documents of title will be delivered in respect of Dematerialised Notes. See Condition 1. Materialised Notes will be in bearer form only. A Temporary Global Certificate will initially be issued in respect of each Tranche of Materialised Notes. Materialised Notes may only be issued outside the French territory.
Governing law and jurisdiction:	French law. Any claim against the Issuer in connection with any Notes, Receipts, Coupons or Talons will be submitted to the jurisdiction of the competent court of the Paris Court of Appeals (subject to any applicable mandatory rules pertaining to the territorial jurisdiction of French courts). Nevertheless, it is specified that the assets and properties of the Issuer are not subject to legal process (*voie d'exécution*) under private law or attachment in France.
Central Depository and clearing systems:	Euroclear France as central depositary in relation to Dematerialised Notes and, in relation to Materialised Notes, Clearstream and Euroclear or any other clearing system that may the Issuer, the Fiscal Agent and the relevant Dealer agree to appoint. Notes admitted to trading on Euronext Paris will be cleared by Euroclear France.
Initial delivery of Dematerialised Notes:	One (1) Paris Business Day at least before the issue date of each Tranche of Dematerialised Notes, the *Lettre comptable* or, as the case may be, the application form, relating to such Tranche shall be submitted to Euroclear France as central depositary.
Initial delivery of Materialised Notes:	On or before the issue date for each Tranche of Materialised Notes, the Temporary Global Certificate issued in respect of such Tranche shall be submitted to a common depositary for Euroclear and Clearstream or with any other clearing system, or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent, and the relevant Dealer(s).
Issue Price:	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.
Admission to trading:	The Notes may be admitted to trading on Euronext Paris and/or any other Regulated Market in a Member State of the EEA and/or on any other non-

regulated market or not be admitted to trading, as specified in the relevant Pricing Supplement.

Rating:

The Programme is rated AA by Standard & Poor's Global Ratings Europe Limited ("**Standard & Poor's**") and such rating may be viewed on the Issuer's website (https://seine-et-marne.fr/fr/rating-financiere) or at the following address: www.standardandpoors.com/en_US/web/guest/ratings/details/-/instrument-details/debtType/COMMPAPER/entityId/119893. In addition, Standard & Poor's has confirmed on 8 November 2021 a rating AA (stable long-term outlook) to the debt of the Issuer and an A-1+ short-term rating.

As of the date of the Offering Circular, Standard & Poor's is a credit rating agency established in the European Union, registered under regulation (EC) No. 1060/2009 of the European Parliament and the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**") and included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu) in accordance with the CRA Regulation. Notes issued under the Programme may, or may not, be rated. The rating of Notes (if any) will be specified in the relevant Pricing Supplement. The rating of the Notes will not necessarily be the same as the rating of the Programme. A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, change or withdrawal at any time by the assigning rating agency, without prior notice.

Selling restrictions:

There are restrictions on the offer and sale of Notes and the distribution of offering materials in various jurisdictions. As part of the offer and sale of a given Tranche, additional sales restrictions may be imposed and will then be specified in the relevant Pricing Supplement. See "Subscription and Sale" section.

The Issuer is Category 1 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.

Materialised Notes will be issued in compliance with *U.S. treasury regulations (U.S. Treasury Reg.*) §1.163-5(c)(2)(i)(D) (the "**D Rules**") unless (i) the relevant Pricing Supplement only provide that such Materialised Notes are issued in compliance with *U.S. Treasury regulations (U.S. Treasury Reg.*) §1.163-5(c)(2)(i)(C) (the "**C Rules**") or (ii) such Materialised Notes are not issued in compliance with the C Rules or the D Rules but in circumstances where these Materialised Notes will not constitute "registration required obligations" under the *United States Tax Equity and Fiscal Responsibility Act of 1982* ("**TEFRA**"), in which case the relevant Pricing Supplement will specify that the TEFRA rules do not apply.

The TEFRA Rules do not apply to Dematerialised Notes.

RISK FACTORS

The Issuer believes that the risk factors described below are determining factors to make a decision to invest in the Notes and/or may affect its ability to fulfil its obligations under the Notes towards investors. These risks are uncertain and the Issuer is not in a position to comment on the possible occurrence of these risks.

The paragraphs that follow describe the main risk factors that the Issuer considers, on the date of this Offering Circular, to be relevant to the Notes issued under the Programme. However, these risk factors are not exhaustive. Other risks, which the Issuer is not currently aware of, or does not as of the date of this Offering Circular regard as being determining factors, may have a significant impact on an investment in the Notes. Prospective investors should also read the detailed information contained or incorporated (or deemed to be incorporated) by reference in this Offering Circular and form their own opinion before making any investment decisions. In particular, investors should make their own assessment as to the risks associated to the Notes and consult their own financial and legal advisers about risks associated with investments in a particular Series of Notes and the suitability of investing in the Notes in light of their particular circumstances. Investors are informed that they may lose some or all, as the case may be, of the value of their investment.

The Issuer believes that the Notes must be purchased only by investors who are financial institutions or other professional investors who are in position to measure the specific risks involved in investing in Notes or who act on the advice of financial institutions.

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

All capitalised terms which are not defined in this chapter shall have the meaning assigned to them in "Terms and Conditions of the Notes".

The risk factors described below may be supplemented and/or amended in the Pricing Supplement of the relevant Notes for a particular issue of Notes.

Any reference hereinafter to Condition refers to the related article in the "Terms and Conditions of the Notes."

1. Risks relating to the Issuer

1.1 Legal risks of attachment

As a local authority, the Issuer is not exposed to the legal risks of common-law attachment proceedings. As a public law entity, the Issuer is not subject to private law seizure and its property cannot be attached, thereby reducing the possibilities of recourse of an investor seeking to have Notes redeemed, by comparison with a legal entity of private law. However, inscription and payment of mandatory expenses incurred by any final ruling by a court of law are governed by Article 1 of law No 80-539 of the 16 July 1980 on the penalties imposed in administrative matters and on the execution of judgments by legal entities governed by public law and Articles L911-1 *et seq.* of the Administrative Justice Code.

1.2 Risks relating to the Issuer's activities, operations, and assets

The Issuer's activities, operations and assets are subject to risks especially related to damage to the assets, chiefly involving its fleet of automotive vehicles or the actions of its employees and elected officials. These risks are covered by insurance subscribed via public contracts. More precisely, these policies cover the Issuer against the following risks:

- Damage to property and ancillary risks;
- Civil liability and ancillary risks;
- Automobile fleet;
- Statutory risks;
- Legal protection for the employees and elected officials of the Seine-et-Marne Department; and
- All exposure risks.

The Department subscribes to Works Damage insurance that would cover the construction, extension, and rehabilitation of buildings when the Department's need justify this.

1.3 Financial risks

Concerning financial risks, the legal borrowing framework of local authorities limits the risks of insolvency.

Article 2 of Act 82-213 of 2 March 1982 on the rights and freedoms of towns, departments and regions rescinded any State oversight of the acts of local authorities. This recognised local authorities' full freedom to assess their finances, liberalising and spreading out the rules applicable to their loans. Local authorities can now borrow freely, and their relations with lenders are generally governed by private law and contractual freedom.

However, this freedom is structured by the following principles:

– borrowings are exclusively intended to finance investments; and

– reimbursement of capital must be covered by own resources.

Moreover, Article L.1611-3-1 of the French General Code of Territorial Communities (*Code Général des Collectivités Territoriales*, heretofore the "**CGCT**"), created by Act 2013-672 of 26 July 2013 on the separation and regulation of banking activities, subjects the subscription of loans by the Department from credit institutions to certain caps related to the currency, the interest rate and the corresponding hedging instruments authorised. However, this article is not intended to apply to bond issues as specified by parliament (Report No. 1091 on behalf of the finance committee of the French *Assemblée Nationale*, submitted on 29 May 2013, Amendment No. 160 of 19 March 2013).

1.4 Risks related to non-redemption of the Issuer's debts

Furthermore, the service of the debt is a mandatory expenditure, whether it is a reimbursement or financial cost. Interests on the debt and the reimbursement of the capital constitute mandatory expenditure for the community, pursuant to the terms of item 6 of Article L.3321-1 of the CGCT. These expenses must therefore be mandatorily included in the budget of the local authority. If it is not, there is a provision under Article L.1612-15 of the CGCT to allow the Prefect, upon request of the regional chamber of accounts, to write this expense into the community's budget. Furthermore, the Prefect can even do this without being ordered to do so, under Article L.1612-16 of the CGCT.

1.5 Risks relating to financial contracts

Recourse to financial contracts (derivative products such as swaps, caps, tunnels, etc.) is authorised only in a logic of hedging the exchange rate risk. This legal context is framed by inter-ministerial circular NOR/IOCB1015077C of 25 June 2010 on financial products offered to local authorities and their public entities. It draws the attention of the territorial communities to the risks inherent in managing the debt and recalls the state of law on recourse to financial proceeds. It specifies in particular that operations of a speculative nature are strictly forbidden.

The Issuer shows extreme vigilance on the nature of the risks of the proceeds it subscribes and refrains from contracting those offering pricing supplement that are abnormally disconnected from the market. The proceeds subscribed aim only at reducing or curbing the impact of the financial costs and neutralising totally or partially the exchange risk in the event of operations in currencies.

Furthermore, Decree 2014-984 of 28 August 2014, implementing the Act of 26 July 2013 mentioned above, organises in particular the conditions for local authorities for concluding financial contracts.

1.6 Risks relating to changing resources

As a local authority, the Issuer is exposed to any change in its legal and regulatory environment that might modify its structure and volume of its resources. However, Article 72-2 of the Constitution of 4 October 1958 provides that "*the tax revenues and other resources of local authorities constitute a substantial part of all the resources of each category of authorities*".

The level of resources of the Issuer is therefore dependent on the revenue determined by the State in the context of the transfer of competence or successive tax reforms. In particular, the law No. 2015-991 of 7 August 2015 on new territorial organisation of the Republic ("NOTRe") decides a redefinition of competences of the departments, and transfers part of the tax resources ("CVAE") from the departments to the regions in return for an equivalent financial compensation.

Also, public financing programming Act 2018-32 of 22 January 2018 for the years 2018 to 2022 provides for involvement by territorial communities in reducing debt and managing public expenditure. To that end, a national target for maximum rises in actual operating expenses has been set at 1.2% *per annum* compared to 2017 as a base.

These provisions are implemented under a contract negotiated between the Seine-et-Marne Department and the French State, signed on 27 June 2018.

1.7 Risks related to the Issuer's off-balance sheet operations and current investments

The Issuer may grant loan guarantees to private individuals under the terms of Article L.3231-4 of the CGCT. As of 31 December 2020, annuities on loans guaranteed by the Seine-et-Marne Department to elapse during 2020 came to €39,629,408, €32,186,528 of which for the benefit of social housing organisations, and €7,442,880 for the benefit of other organisations essentially in the medical-social field.

As of 31 December 2020, the outstanding secured debt represented an amount of €601.9M, of which €494.6M were for providers of social housing and €107.3M were for other sectors.

For 2020, the prudential ratio instituted by Article L.3231-4 of the CGCT came to 6.78 % (versus 7.70% in 2019) for the Seine-et-Marne Department, for a cap set at 50%.

1.8 Risks related to financial statements

As a territorial community, the Issuer is not subject to the same accounting standards as a private-law issuer. Its financial statements (administrative accounts, budgets) are subject to specific accounting rules set in particular by Decree 2012-1246 of 7 November 2012 relating to public budget and accounting management and the CGCT and as more fully described on pages 74 *et seq.* of this Offering Circular. Financial assessment of the Issuer by investors requires taking into account these specific accounting rules.

The Issuer's accounts are subject to State audits: (i) legality audit, (ii) financial audits, carried out by the Department Prefect and the public accountant and (iii) periodic management examination carried out by the "regional chamber of accounts". These audits are more fully described on page 62 of this Offering Circular. The Issuer's accounts are not audited pursuant to the same processes as a private-law issuer, but they are subject to the State audit.

1.9 Risks related to exogenous events with a high potential impact

The Covid-19 crisis is an example of the risks that are exogenous to the Department that could have a significant impact on its operations. However, these exogenous risks can also be linked to other types of events including, but not limited to, large-scale social movements, strikes, and bad weather.

On the date of this Offering Circular, three types of impact can already be identified for this type of risk:

- The risk to the health of Department employees and their families in the event of a health crisis. It should be noted that the Department quickly communicated and implemented the barrier measures to be put in place during the Covid-19 crisis;
- Operational risk to the proper functioning of services related to the quarantine. The Department adapted its organisation, among other things, to ensure the continued provision of departmental public services in all situations and in the best conditions, in particular with regard to the community's financial management. For this purpose, the Department organised:
  - Generalised telework for almost all employees in its offices and for almost all employees of the Finance Department (VPN access, video conferencing access, and provision of adequate computer equipment, if necessary);
  - The digitalisation of budgetary and financial procedures as well as accounting procedures for the financial execution of spending in order to ensure, in all circumstances, the payment of expenses, invoices and subsidies, as well as the payroll service for agents; and
  - The development of an integrated and secure financial information and management system; and
- Financial risk with an impact on the Department's revenue and spending (refer to the risk factor above entitled "*Risks relating to changing resources*").

However, the Department repeatedly demonstrated its resilience and responsiveness during crises, in particular the health crisis caused by Covid-19.

Indeed, an initial resilience plan was adopted on 19 June 2020 by the Seine-et-Marne Departmental Council in order to assist in the fight against the virus and to support the most disadvantaged, as well as Seine-et-Marne businesses.

Following the extension of the health and economic crisis linked to Covid-19, an amending decision No. 1 adopted by the Departmental Assembly on 5 March 2021 continued to support socio-economic players in Seine-et-Marne with a second resilience plan, for a total expenditure of €10 million, by supplementing the 2021 primary budget, voted on 17 December 2020.

Departmental action is supported by cooperation between the State and local authorities during exceptional crises, in particular through measures taken under orders and amending finance laws (particularly order No. 2020-330 of 25 March 2020 on budgetary, financial, and fiscal continuity measures for local authorities and local public establishments in response to the consequences of the Covid-19 epidemic).

2. Risks relating to the Notes

2.1. The Notes may not be a suitable investment for all investors

Each prospective investor in the Notes must determine based on its personal assessment and with the help of any adviser he may find to be useful depending on the circumstances, the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to satisfactorily assess the Notes, the merits and the risks relating to an investment in the relevant Notes and the information contained or incorporated (or deemed to be incorporated) by reference in this Offering Circular or in any Amendment (as defined in the chapter "Amendment to the Offering Circular") relating thereto and in the relevant Pricing Supplement;

(ii) have access to and knowledge of appropriate analytical tools to evaluate, in the context of its particular financial situation and sensitivity to the risk, an investment in the relevant Notes and the impact the relevant Notes will have on its overall investment portfolio;

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

(iv) understand thoroughly the Terms and Conditions of the relevant Notes and be familiar with the behaviour of any relevant rates and financial markets;

(v) 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 face the applicable risks; and

(vi) have knowledge of the legal and regulatory restrictions which will be applicable in case of investment in the Notes generally, and in every Note in particular.

A potential investor should not invest in 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 such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

2.2 Risks relating to the structure of a particular issue of Notes

A wide range of Notes may be issued under this Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features and associated risks:

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

In addition, the Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. As a result, the yield at the time of redemption may be lower than anticipated by Noteholders and the value of the redemption amount of Notes may be lower than the issue price or purchase price paid by the relevant Noteholder to subscribe or buy the Notes. Consequently, part of the capital invested by Noteholders in the Notes may be lost, meaning that the Holder will not receive the total amount of capital invested. In addition, in case of early redemption of Notes, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Early partial redemption at the option of the Issuer or the Noteholders may have an impact on the liquidity of the Notes of a same Series in respect of which the option is not exercised

The exercise of an early redemption option by the Issuer or the Noteholders may have an impact on the liquidity of the Notes of a same Serie in respect of which the option is not exercised. Depending on the number of Notes in respect of which an early partial redemption of the Notes at the option of the Issuer or at the option of the

Noteholders is exercised, those Notes in respect of which such option is not exercised may be subject to a loss of liquidity. As a result, Noteholders may lose part or all of their investment.

Fixed Rate Notes

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates or inflation may adversely affect the value of the relevant Tranche of Notes.

While the nominal interest rate of Fixed Rate Notes is determined during the term of such Notes or within a given period of time, the market interest rate (the "**Market Interest Rate**") typically varies on a daily basis. As the Market Interest Rate changes, the price of the Note varies in the opposite direction. If the Market Interest Rate increases, the price of the Fixed Rate Note decreases. If the Market Interest Rate decreases, the price of a Fixed Rate Note increases.

Holders of Fixed Rate Notes should be aware that movements of the market interest rate can adversely affect the price of the Notes, if they sell Notes during the period in which the market interest rate exceeds the fixed rate of the Notes.

In addition, the yield of Fixed Rate Notes (which is specified in the relevant Pricing Supplement) shall be calculated at the issue date of such Notes on the basis of the issue price. It shall not be an indication of future yield.

Floating Rate Notes

Investment in Notes which bear interest at a floating rate comprise (i) a Reference Rate and (ii) a Margin to be added or subtracted, as the case may be, from such Reference Rate. Typically, the relevant Margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Pricing Supplement) of the Reference Rate (e.g., every three (3) months or six (6) months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate Notes may be volatile if changes, particularly short-term changes, to market interest rates evidenced by the relevant Reference Rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant Reference Rate.

Besides, a key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed Interest Periods. If the Terms and Conditions of the Notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may likely reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Floating Rate Notes with a Rate Multiplier or other leverage factor

Floating Rate Notes can be volatile investments. If they are structured to include Rate Multipliers or other leverage factors, a Minimum Rate of Interest, a Maximum Rate of Interest, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that will automatically, or that the Issuer may elect to, convert from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate. The conversion (whether automatic or optional) will affect the secondary market and the market value of such Notes since it may lead to a lower overall cost of borrowing. If a Fixed Rate is converted to a Floating Rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same Reference Rate. In addition, the new Floating Rate at any time may be lower than the rates on other Notes. If a Floating Rate is converted to a Fixed Rate, the Fixed Rate may be lower than then prevailing rates on these Fixed/Floating Rate Notes.

Zero Coupon Notes and Notes issued at a substantial discount or premium

The market values of Zero Coupon Notes and any other Notes issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Potential Conflict of Interests

Each of the Dealers and their affiliates may have or may in the future, in the normal course of their activities, engage in commercial dealings with or act as a financial adviser to the Issuer in relation to financial securities issued by the Issuer. In the normal course of their activities, each of the Dealers and their affiliates may or may in the future (i) engage in investment banking, trading, or hedging activities, including prime brokerage business or entry into derivatives transactions, (ii) act as underwriters in connection with the offering of securities issued by the Issuer or (iii) act as financial advisers of the Issuer. In the context of these transactions, each of the Dealers and their affiliates have or may hold securities issued by the Issuer, in which case they have or will receive customary fees and commissions for these transactions.

In addition, the Issuer and each of the Dealers may be engaged in transactions involving an index, or derivatives based on or relating to the Notes that can affect the market price, liquidity, or value of Notes and that could have an adverse effect on the interests of the Noteholders.

The Issuer may name one of the Dealers as Calculation Agent in the framework of one or more Series of Notes. Such a Calculation Agent will probably be a member of an international financial group, which implies that there may be conflicts of interest in the normal course of its activity, in particular in light of the scope of banking activities exercised by such a group. Although information barriers or internal procedures, as the case may be, may be in place to prevent any conflict of interest, a Calculation Agent may be involved in other activities and in transactions impacting an index or derivatives based on or related to the Notes, which might affect the market price, the liquidity, or the value of the Notes, and might have a negative effect on the Noteholders' interests.

2.3 Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally.

The Notes may be redeemed prior to the maturity date for tax reasons or in case of illegality

If the Issuer would be required, on the next payment of principal or interest, to pay additional amounts pursuant to Condition 8(b), it may then, pursuant to Condition 6(f), redeem all of the Notes at their Early Redemption Amount together with, unless otherwise specified in the relevant Pricing Supplement, any interest accrued to the effective redemption date.

In the same way, if it would become unlawful for the Issuer to perform or comply with its obligations under the Notes, the Issuer will, pursuant to Condition 6(i), redeem all, and not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the effective redemption date.

In any case of early redemption, the yield at the time of redemption may be lower than expected and the value of the amount redeemed may be less than the issue price or purchase price paid by the relevant Noteholder to subscribe or buy the Notes. Furthermore, in the event of early redemption, investors may not be able to reinvest the redemption proceeds in securities with a yield as high as that of the relevant Notes being redeemed and may only be able to do so at a significantly lower yield. Potential investors should consider reinvestment risk in light of other investments available at that time.

Loss of investment in the Notes

The Issuer reserves the right to purchase Notes, at any price, in the open market or otherwise, in accordance with applicable regulations. Such transactions shall have no impact on the normal redemptions schedule of the redemption of outstanding Notes, however they reduce return on the Notes which may be redeemed early. Similarly, in the event of change of the taxation rules applicable to the Notes, the Issuer may be obliged to redeem the Notes in full, at 100 per cent. of their denomination, together with, as the case may be, interest accrued to the effective redemption date. Any early redemption of the Notes may result in the Noteholders receiving a return significantly below their expectations.

In addition, there is a risk of non-redemption of the Notes on their maturity date if the Issuer is no longer solvent. Non-redemption or partial redemption of the Notes would *de facto* result in a loss of investment in the Notes.

Finally, capital loss may occur when the Notes are sold at a lower price than the price paid at the time of purchase. No capital protection or guarantee is offered to investors. The capital initially invested is exposed to market fluctuations and then, may not be redeemed in the event of adverse developments in the markets.

Modification of the Terms and Conditions

The Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a Masse and a General Meeting could be held. The Terms and Conditions permit in certain cases defined majorities of Noteholders to bind all Noteholders including Noteholders who did not attend or vote at the relevant General Meeting and Noteholders who voted differently. In addition, the General Meeting may deliberate on any proposal relating to the modification of the Terms and Conditions including any proposal for settlement or transaction, relating to rights in controversy or which were the subject of judicial decisions, as more fully described in Condition 11.

Change of law

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to French law or administrative practice after the date of this Offering Circular, on the Notes.

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial notes such as the Notes. Potential investors are should seek their tax adviser's advice on their individual taxation with respect to the acquisition, sale, and redemption of the Notes. Only their advisors are in a position to duly consider the specific situation of the potential investor.

Financial transactions tax

On 14 February 2013, the EU Commission adopted a proposal for a Council Directive (the "**Draft Directive**") implementing a strengthened cooperation in the field of the financial transactions tax which, if adopted at present, could levied a tax on the financial transactions in respect of the Notes issued (the "**Tax**"). The Draft Directive was initially expected to enter into effect in eleven (11) EU Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovakia, and Slovenia) (the "**Participating Member States**" and each a "**Participating Member State**").

In March 2016, Estonia officially indicated that it would no longer be a Participating Member State.

Pursuant to the Draft Directive, the Tax would apply on financial transactions provided at least one party to the financial transaction, or a person acting for his name is established or deemed established in a Participating Member State. The Tax shall, however, not apply to primary market transactions referred to in Article 5(c) of regulation (EC) No. 1287/2006 of the Commission of 10 August 2006, including the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue. The Tax shall be payable by each financial institution established, or deemed established, in a Participating Member State provided it is a party to the financial transaction or is acting in the name of a party to the transaction or the transaction has been carried out in its own account. The rates of the Tax shall be fixed by each Participating Member State but shall amount for transactions involving financial instruments other than derivatives to at least 0.1 per cent. of the taxable amount.

Each prospective investor should therefore bear in mind that any sale, purchase, or exchange of the Notes could be subject to the Tax at a minimum rate of 0.1 per cent. provided the above-mentioned prerequisites are met. The investor would either have to bear the Tax or reimburse the financial institution for the relevant charge. In addition, the Tax may affect the value of the Notes.

If the Draft Directive is adopted as it is and implemented in the local legislation, noteholders may be exposed to increased transactional costs with respect to financial transactions carried out with respect to the Notes and the liquidity of the market for the Notes may be diminished.

The Draft Directive is still subject to negotiation between the Participating Member States. Therefore, it may be modified before the implementation which the schedule is uncertain.

Any person considering investing in the Notes may consult their tax advisor about the Tax.

Verification of legality

The Prefect of the Seine-et-Marne Department has two (2) months as from the date of notice at the *Préfecture* of any resolution of the Departmental Council (*Conseil Départemental*) of Seine-et-Marne Department and of any contracts entered into by it, to verify the legality of such resolution and/or decision to sign such contracts and, if he considers them to be illegal, to refer them to the relevant administrative court and, if appropriate, seek an order for them to be suspended. If such an action is preceded by an administrative claim or under certain other circumstances, this two-month period may be extended. Once the case has been referred, the relevant administrative court may then, if it considers the resolution and/or decision to sign such contracts to be illegal, order their suspension or annul them in whole or in part. In addition, depending on the nature of the illegality and any particular circumstances, the annulment of the relevant resolution and/or decision to enter into the relevant contracts may lead to the annulment of such contracts. The suspension or the partial or complete annulment of the relevant resolution and/or of decision to enter into the contracts with respect to which the Notes have been issued could question the rights of Noteholders.

Third-party claims

A third party, having legal standing, may bring an action for abuse of authority before the administrative courts against any resolution of the Departmental Council (*Conseil Départemental*) of Seine-et-Marne Department and/or any decision to sign contracts entered into by it, within a period of two (2) months as from the date of its publication or notification and, if appropriate, seek an order for it to be suspended. If such an action is preceded by an administrative claim or in certain other circumstances, this two-month period may be extended. If such resolution and/or signing decision have not been duly published, such action may be brought by any third party, having legal standing, without any limitation period. Once the case has been referred, the competent administrative judge may then, if it considers that a rule of law has been breached, annul such resolution and/or signing decision or, if it considers the matter sufficiently urgent, suspend it. In addition, depending on the nature of the illegality and any particular circumstances, the annulment of the relevant resolution and/or decision to enter into the relevant contracts may lead to the annulment of such contracts. The suspension or the partial or complete annulment of the relevant resolution and/or of decision to enter into the contracts with respect to which the Notes have been issued could question the rights of Noteholders.

2.4 Risks related to the market generally

Set out below is a brief description of the principal market risks:

Market value of the Notes

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including market interest and yield rates and the time remaining to the maturity date.

The value of the Notes depends on a number of interrelated factors, including economic, financial, and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser for the subscription or purchase of such Notes.

The secondary market generally

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 will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency, or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. 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 the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or amend exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) 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.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes and/or to the Issuer's long-term debt. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this chapter, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised (upward or downward) or withdrawn by the rating agency at any time, without prior notice. Any downward revision or withdrawing may adversely affect the market value of the Notes.

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 (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) 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. Neither the Issuer, the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, 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.

Risks related to the European regulation on Benchmarks

The Pricing Supplement relating to a Series of Floating Rate Notes may provide that such Floating Rate Notes are indexed to or refer to a Benchmark. The interest rates and indices which are deemed to be Benchmarks (such as EURIBOR (or TIBEUR in French) or any other reference rate specified in the relevant Pricing Supplement have been the subject of recent international, national and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such Benchmarks to perform differently from the past or disappear entirely, to be subject to revised calculation methods, or have other consequences that cannot be predicted. Any such consequence could have a material adverse effect on any Floating Rate Notes linked to or referencing such Benchmark.

Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**") entered into force on 30 June 2016, with the majority of its provisions applying from 1st January 2018. The purpose of the Benchmark Regulation is to regulate the provision of benchmarks, the provision of input data for a benchmark and the use of benchmarks within the European Union (including, for the purposes of this paragraph, the United Kingdom) (the "**EU**").

It aims at improving the quality (integrity and accuracy) of the input data and the transparency of the methodologies used by administrators and at improving governance and controls of both Benchmark administrators' and contributors' activities. The Benchmark Regulation applies to "contributors", "administrators" and "users" of Benchmarks in the EU. The Benchmark Regulation (i) requires Benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of Benchmarks (or, if non-EU based, to be subject to equivalent requirements) and (ii) prevents certain uses by EU supervised entities of Benchmarks of administrators that are not authorised/registered (or, if non-EU based, deemed equivalent or recognised or endorsed). In the United Kingdom, the Benchmark Regulation as it forms part of domestic law by virtue of European Union (Withdrawal) Act 2018 provides for equivalent sets of rules.

The scope of the Benchmark Regulation is wide and is expected to apply, inter alia, to so-called "critical benchmark" indices and to many interest rate and foreign exchange rate indices, equity indices and other indices (including "proprietary" indices or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments traded on a trading venue or via a systematic internaliser, financial contracts and investment funds.

The Benchmark Regulation could have a material impact on the Floating Rate Notes linked to or referencing a Benchmark, notably in the following circumstances:

- subject to the relevant transitional measures, if an index which is a Benchmark could not be used by a supervised entity if its administrator does not obtain authorisation or registration or, if based in a non-EU jurisdiction, the administrator is not recognised as equivalent or recognised or endorsed and the transitional provisions do not apply; and

- if the methodology or other determination terms of the Benchmark are changed in order to comply with the requirements of the Benchmark Regulation. Such changes could notably have the effect of reducing or increasing the rate or level or affecting in any way the volatility of the published rate or level of the Benchmark.

In such circumstances, the Floating Rate Notes might potentially being adjusted or redeemed early or otherwise impacted in any way depending on the particular Benchmark and the applicable terms of the Floating Rate Notes or have other adverse effects or unforeseen consequences.

More broadly, any of the international, national or regulatory reforms, the enhanced regulatory scrutiny of Benchmarks, or any further uncertainty in relation to the timing and manner of implementation of such changes, could increase the costs and risks of administering a Benchmark or otherwise participating in the determination of a Benchmark and complying with any such regulations or requirements. Such factors may have the following effects on certain Benchmarks (such as EURIBOR (or TIBEUR in French), LIBOR or any other reference rate specified in the relevant Pricing Supplement): (i) discouraging market participants from continuing to administer or contribute to such Benchmark, (ii) triggering changes in the rules or the methodologies used in such Benchmark or (iii) leading to the disappearance of such Benchmark.

Any of these changes or subsequent changes, as a result of international or national reforms or other initiatives or research, could have a material adverse impact on the value and return of the Floating Rate Notes linked to or referencing a Benchmark and result in losses to the Noteholders.

Investors should be aware that, if a Benchmark were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes linked to or referencing such Benchmark will be determined for the relevant period by the fall-back provisions applicable to such Floating Rate Notes (it being specified that in case of discontinuation of the Relevant Rate or occurrence of an Administrator/Benchmark Event, a specific fall-back shall apply - please refer to the risk factor entitled "*The discontinuance of the Relevant Rate or occurrence of an Administrator/Benchmark Event could have a material adverse effect on the value of and return on any Floating Rate Note linked to or referencing a Benchmark*" below). However, such fall-back provisions may be deviated from if deemed unsuitable by the Commission or the relevant national authority, as further explained below.

Depending on the provisions of the relevant Pricing Supplement: (i) if FBF Determination applies, the determination may be reliant upon the provision by reference banks of offered quotations for the Benchmark which, depending on market circumstances, may not be available at the relevant time or (ii) if Screen Rate Determination applies, the determination may result in the effective application of a fixed rate based on the rate which applied in the previous period when the benchmark was available. These provisions could have an adverse effect on the value, liquidity of, and return on, any Floating Rate Notes linked to or referencing a Benchmark.

The Benchmark Regulation was notably amended by Regulation (EU) 2021/168 of the European Parliament and of the Council of 10 February 2021 which introduces a harmonised approach to deal with the cessation or wind-down of certain Benchmarks by conferring the power to designate a statutory replacement for certain Benchmarks on the Commission or the relevant national authority, such replacement being limited to contracts and financial instruments, as defined in MiFID II, which (i) reference a benchmark that is in cessation or is being wound down, (ii) are subject to the law of a Member State of the EEA (except for contracts, the parties to which are all established in the Union, that reference a benchmark and that are subject to the law of a third country where that law does not provide for the orderly wind-down of a benchmark), (iii) were entered into before the relevant date of replacement, (iv) contain no fallback provision or no suitable fallback provisions et (v) have not been renegotiated before the date of cessation of the benchmark concerned. In addition, the transitional provisions applicable to third-country Benchmarks are extended until the end of 2023 and the Commission is empowered to further extend this period until the end of 2025, if necessary. In addition, this regulation may be supplemented by means of delegated regulations. These additions could create uncertainty about any future legislative or regulatory requirements arising from the implementation of the delegated regulations.

Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rates Notes linked to or referencing a Benchmark.

Investors should consult their own independent advisors and make their own assessment about the potential risks imposed by the Benchmark Regulation reforms in making any investment decision with respect to any Floating Rate Notes linked to or referencing a Benchmark.

The discontinuance of the Relevant Rate or occurrence of an Administrator/Benchmark Event could have a material adverse effect on the value of and return on any such Floating Rate Note linked to or referencing such Benchmarks

Where "FBF Determination" or "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Rate of Interest in respect of Floating Rate Notes is to be determined and if the Relevant Rate has been discontinued or, in the case of a Screen Rate Determination only, an Administrator/Benchmark Event has occurred, the Rate of Interest on the affected Floating Rate Notes will be changed in ways that may be adverse to holders of such Floating Rate Notes, without any requirement that the consent of such holders be obtained.

Pursuant to the Terms and Conditions related to Floating Rate Notes in respect of which a Screen Rate Determination is specified in the relevant Pricing Supplement, such fallback arrangements include the possibility that the Rate of Interest could be set by reference to a Successor Rate or an Alternative Rate, and may include concomitant changes to the Terms and Conditions of the Notes necessary to make the Alternative Rate or the Successor Rate as comparable as possible to the previous Original Reference Rate, all as determined by the Relevant Rate Determination Agent and without the consent of the holder of the Floating Rate Notes.

In certain circumstances, including where no Successor Rate or Alternative Rate (as applicable) is determined or due to the uncertainty concerning the availability of Successor Rates or Alternative Rates and the involvement of an Relevant Rate Determination Agent, the relevant fallback provisions may not operate as intended at the relevant time and the Alternative Rate or Successor Rate may perform differently from the Original Reference Rate, as indicated in the risk factor entitled "*Risks related to the European regulation on Benchmarks*".

If the Relevant Rate Determination Agent determines that the Relevant Rate has been discontinued and/or an Administrator/Benchmark Event has occurred, and, for any reason whatsoever, an Alternative Rate or a Successor Rate has not been or cannot be determined before or during the next Interest Determination Date, then no Alternative Rate or Successor Rate will be adopted, and in such event the Rate of Interest will be the Rate of Interest determined on the previous Interest Determination Date (after readjustment in case of difference between the Margin, Multiplicator Coefficient or Maximum Rate of Interest or the Minimum Rate of Interest applicable to the previous Interest Accrual Period and those of the relevant Interest Accrual Period). Generally, the occurrence of any event described above could have a material adverse effect on the value of and return on any Floating Rate Securities.

Moreover, any of the above matters or any significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or could adversely affect the value or liquidity of, or the amounts due under the Floating Rate Notes. Investors should take into account that the Relevant Rate Determination Agent will have discretion to adjust the relevant Successor Rate or Alternative Rate (as the case may be) in the circumstances described above. Any such adjustment could have unforeseen commercial consequences and there can be no assurance that, given the particular situation of each holder, such adjustment will be favourable to them.

DOCUMENTS INCORPORATED BY REFERENCE

1. Documents incorporated by reference on the date of this Offering Circular

This Offering Circular shall be read and construed in conjunction with the following documents that have been previously published. These documents are incorporated in this Offering Circular and shall be deemed to form part of it:

- the section "Terms and Conditions of the Notes" on pages 18 to 38 of the Base Prospectus dated 25 September 2012 (which received visa from the *Autorité des marchés financiers* (the "**AMF**") under number 12-463 on 25 September 2012) (the "**2012 Conditions**");
- the section "Terms and Conditions of the Notes" on pages 19 to 39 of the Base Prospectus dated 16 September 2013 (which received visa from the AMF under number 13-496 on 16 September 2013) (the "**2013 Conditions**");
- the section "Terms and Conditions of the Notes" on pages 20 to 42 of the Base Prospectus dated 18 September 2014 (which received visa from the AMF under number 14-507 on 18 September 2014) (the "**2014 Conditions**");
- the section "Terms and Conditions of the Notes" on pages 21 to 42 of the Base Prospectus dated 20 February 2017 (which received visa from the AMF under number 17-063 on 20 February 2017) (the "**2017 Conditions**");
- the section "Terms and Conditions of the Notes" on pages 22 to 44 of the Base Prospectus dated 31 May 2018 (which received visa from the AMF under number 18-215 on 31 May 2018) (the "**2018 Conditions**");
- the section "Terms and Conditions of the Notes" on pages 24 to 49 of the Base Prospectus dated 20 November 2019 the "**2019 Conditions**"); and
- the section "Terms and Conditions of the Notes" on pages 23 to 48 of the offering circular dated 3 November 2020 (the "**2020 Conditions**" and, with the 2012 Conditions, the 2013 Conditions, the 2014 Conditions, the 2017 Conditions, the 2018 Conditions and the 2019 Conditions, the "**EMTN Previous Conditions**").

The EMTN Previous Conditions are incorporated by reference in this Offering Circular for the purposes only of further issues of Notes to be assimilated (*assimilées*) and form a single Series with Notes already issued under the relevant EMTN Previous Conditions.

So long as any of the Notes are outstanding under the Programme, the EMTN Previous Conditions shall be (a) published on the website of the Issuer (https://seine-et-marne.fr/fr/notation-financiere) and (b) available for inspection and copy, free of charge, during normal business days and hours, at the office of the Issuer and at the specified office(s) of the Paying Agent(s).

2. Documents incorporated by reference after the date of this Offering Circular

The following documents, which will be published on the website of the Issuer (https://seine-et-marne.fr/fr/le-budget-du-departement) after the date of this Offering Circular, will be deemed to be incorporated by reference and to form part of the Offering Circular as of their date of publication:

- the most recent updated version of the Issuer's administrative accounts; and
- the most recent updated version of the primary budget and any related additional budget of the Issuer.

The investors are deemed to have reviewed all the information contained in the documents incorporated (or deemed to be incorporated) by reference into this Offering Circular as if this information were included in this Offering Circular. Investors who have not reviewed this information should do so before they invest in the Notes insofar as it will have been published.

AMENDMENT TO THE OFFERING CIRCULAR

Subject to the above paragraph, any significant new factor, mistake, or inaccuracy relating to the information included in this Offering Circular which is likely to have a significant impact on the assessment of the Notes and which would arise or be noted after the date of this Offering Circular, shall be mentioned, without unjustified delay, in an amendment or an update of the Offering Circular (an "**Amendment**") or in the Pricing Supplement applicable to these notes.

Notwithstanding the paragraph above, and for the avoidance of doubt, the information mentioned in paragraph 2 of the section "Documents incorporated by reference" will not be included in an Amendment, as it is deemed to be incorporated by reference and to form part of the Offering Circular as of its date of publication.

Any Amendment shall be (a) published on the website of the Issuer (https://seine-et-marne.fr/fr/notation-financiere) and (b) available for inspection and copy, free of charge, during normal business days and hours at the office of the Issuer and at the specified office(s) of the Paying Agent(s).

TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, as amended or supplemented by the provisions of the relevant Pricing Supplement (as defined below), shall be applicable to the Notes (the "**Terms and Conditions**"). In the case of Dematerialised Notes (as defined below), the text of the Terms and Conditions will not be endorsed on physical documents of title but will be constituted by the following text as amended or completed by the relevant Pricing Supplement. In the case of Materialised Notes (as defined below), either (i) the full text of these Terms and Conditions together with the relevant provisions of the Pricing Supplement or (ii) these amended or completed Terms and Conditions shall be endorsed on Definitive Materialised Notes.*

The Pricing Supplement related to a tranche of Notes may stipulate other terms and conditions that may replace or amend one or more Conditions of the Terms and Conditions below.

*All terms beginning with a capital letter and not defined in these Terms and Conditions will have the meanings given to them in the relevant Pricing Supplement. References below to "**Conditions**" are, unless the context requires otherwise, to the numbered paragraphs below. References in the Terms and Conditions to "**Notes**" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes issued by Seine-et-Marne Department (the "**Issuer**", the "**Department**" or "**Seine-et-Marne Department**") will constitute *obligations* under French law. They will be issued in series (each a "**Series**") on the same or at different issue dates. The Notes of the same Serie will be issued on terms otherwise identical (or identical save as to the first payment of interest), the Notes of the same Serie being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**"), having the same issue date or different issue dates and on terms identical to the terms of other Tranches of the same Series, save in respect of the issue price and, where applicable, the issue date, the first payment of interest and the nominal amount of the Tranche. Notes will be issued under the Terms and Conditions of this Offering Circular as amended or supplemented by the relevant pricing supplement (the "**Pricing Supplement**") relating to the specific terms and conditions of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price, and interest, if any, payable under the Notes).

An amended and restated agency agreement in the French language related to the Notes (as amended from time to time, the "**Agency Agreement**") was entered into on 21 April 2022 between the Issuer and CACEIS Corporate Trust as fiscal agent, principal paying agent and calculation agent. The fiscal agent, the paying agent and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agent(s)**" (which expression shall include the Fiscal Agent) and the "**Calculation Agent(s)**".

The holders of the interest coupons (the "**Coupons**") relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, the holders of talons for further Coupons (the "**Talons**") and the holders of the receipts for the payment of instalments of principal relating to Materialised Notes of which the principal is redeemable in instalments (the "**Receipts**") are respectively referred to below as the "**Couponholders**" and the "**Receiptholders**".

For the purposes of these Terms and Conditions, "**Regulated Market**" means any regulated market located in a member state (a "**Member State**") of the European Economic Area (the "**EEA**"), as defined in directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended, appearing in the list of regulated markets published by the European Securities and Markets Authority.

1. Form, denomination, and title

(a) Form

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**"), as specified in the relevant Pricing Supplement.

(i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 *et seq.* of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be delivered in respect of the Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer, as set out in the relevant Pricing Supplement, in either bearer form (*au porteur*), which will be inscribed in the books of Euroclear France (acting as central depositary) which shall credit the accounts of the Account Holders, or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant holder in either administered registered form (*au nominatif administré*) inscribed in the books of an Account Holder designated by the relevant holder of Notes, or in fully registered form (*au nominatif pur*) inscribed in an account maintained by the Issuer or a registration agent designated in the relevant Pricing Supplement acting on behalf of the Issuer (the "**Registration Agent**").

For the purpose of these Conditions, "**Account Holder**" means any authorised financial intermediary institution entitled to hold securities accounts, directly or indirectly, with Euroclear France, and includes Euroclear Bank SA/NV ("**Euroclear**") and the depositary bank for Clearstream Banking, SA ("**Clearstream**").

(ii) Materialised Notes are issued in bearer form only. Materialised Notes in definitive form ("**Definitive Materialised Notes**") are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero-Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Terms and Conditions are not applicable. "**Instalment Notes**" are issued with one or more Receipts attached.

In accordance with Articles L.211-3 et seq. of the French Code monétaire et financier, securities (such as Notes constituting obligations under French law) in materialised form and governed by French law may only be issued outside the French territory.

The Notes may be **"Fixed Rate Notes**", "**Floating Rate Notes**", "**Fixed/Floating Rate Notes**", "**Zero Coupon Notes**", or a combination of any of the foregoing, depending on the Interest Basis and the redemption method specified in this Offering Circular, as amended, or supplemented by the relevant Pricing Supplement.

(b) Denomination

Notes shall be issued in the specified denomination(s) as set out in the relevant Pricing Supplement (the "**Specified Denomination(s)**"), provided that the denomination of any Note shall have a denomination of at least €100,000 (or its equivalent in any other currency) or any other greater amount that may be authorised or required by the relevant monetary authority or by any law or regulation applicable to the Specified Currency.

Dematerialised Notes shall be issued in one Specified Denomination only.

(c) Title

(i) Title to Dematerialised Notes in bearer form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts maintained by the Issuer or by the Registration Agent.

(ii) Title to Definitive Materialised Notes, and where appropriate, Receipt(s), Coupons and/or a Talon attached thereto on issue, shall pass by delivery.

(iii) Subject to a judicial or administrative decision ordered by a court of competent jurisdiction or as required by applicable legal or regulatory provisions, the holder of any Note (as defined below), Coupon, Receipt or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating such Noteholder.

(iv) In these Conditions,

"**Noteholder**" or, as the case may be, "**holder of any Note**" means (a) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Account Holder, the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes, (b) in the case of Definitive Materialised Notes, the holder of any Definitive Materialised Note and the Coupons, Receipts or Talons relating to it, and (c) in the case of Materialised Notes for which a Temporary Global Certificate is issued and still outstanding, each person (other than the clearing institution) which appears as the holder of such Notes or of a specific nominal amount of such Notes in accordance with applicable laws and regulations and the rules and procedures of the relevant clearing institution, including, without limitation, Euroclear France, Euroclear, or Clearstream.

2. Conversions and exchanges of Notes

(a) Dematerialised Notes

(i) Dematerialised Notes issued in bearer form (*au porteur*) may not be converted for Dematerialised Notes in registered form, whether in fully registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*).

(ii) Dematerialised Notes issued in registered form (*au nominatif*) may not be converted for Dematerialised Notes in bearer form (*au porteur*).

(iii) Dematerialised Notes issued in fully registered form (*au nominatif pur*) may, at the option of the holder of such Notes, be converted into Notes in administered registered form (*au nominatif administré*), and *vice versa*. The exercise of any such option by such holder shall be made in accordance with Article R.211-4 of the French *Code monétaire et financier*. Any such conversion shall be effected at the cost of such Noteholder.

(b) Materialised Notes

Materialised Notes of one Specified Denomination may not be exchanged for Materialised Notes of another Specified Denomination.

3. Status of Notes

The obligations of the Issuer under the Notes and, where applicable, any Receipts and Coupons constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsubordinated and unsecured obligations of the Issuer.

4. Negative pledge

So long as any of the Notes or, if applicable, any Receipts or Coupons, remain outstanding (as defined below), the Issuer undertakes that it will not grant or permit that subsist any lien, mortgage, pledge or any other form of security interest upon any of its assets, rights or revenue, present or future, to secure any present or future indebtedness for borrowed money, subscribed or guaranteed by the Issuer, represented by *obligations*, securities or other notes and which are (or are capable of being) admitted to trading on any stock exchange or any other securities market, unless the Issuer's obligations under the Notes, Receipts and Coupons are equally and rateably secured therewith.

For the purposes of the Terms and Conditions:

"**outstanding**" means, in relation to Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with these Terms and Conditions, (b) those in respect of which the effective date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption, as the case may be, and any interest payable after such date) have been duly paid as provided in Condition 6, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in the Conditions, (e) in the case of Definitive Materialised Notes (i) those mutilated or defaced Definitive Materialised Notes that have been surrendered in exchange for replacement Definitive Materialised Notes, (ii) (for the purpose only of determining how many such Definitive Materialised Notes are outstanding and without prejudice to their status for any other purpose) those Definitive Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Definitive Materialised Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Materialised Notes, pursuant to its provisions.

5. Interest and other calculations

(a) Definitions

In these Terms and Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Amortisation Yield**" means, in respect of any Zero Coupon Note, the rate specified as such in the relevant Pricing Supplement or, if not specified in the relevant Pricing Supplement, the rate at which the Amortised Nominal Amount would be equal to the issue price of the relevant Zero Coupon Note if its price were discounted back to their issue price on the Issue Date.

"**Benchmark**" means the reference rate as set out in the relevant Pricing Supplement, which shall be either EURIBOR (or TIBEUR in French) or any other reference rate as specified in the relevant Pricing Supplement.

"**Business Day**" means:

(i) in the case of Euro, a day on which the Trans European Automated Real Time Gross Settlement Express Transfer System (TARGET 2) (the "**TARGET System**") or any successor thereto is operating (a "**TARGET Business Day**"), and/or

(ii) in the case of a Specified Currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency, and/or

(iii) in the case of a Specified Currency and/or one or more additional business centre(s) specified in the relevant Pricing Supplement (the "**Business Centre(s)**"), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in currency of the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres so specified.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interests on any Note for any period of time (from and including the first day to but excluding the last day of such period) (whether or not constituting an Interest Period, the "**Calculation Period**"):

(i) if "**Actual/365, "Actual/365-FBF"** or **"Actual/Actual-ISDA**" is specified in the relevant Pricing Supplement, the actual number of days in the Calculation Period divided by three hundred sixty-five (365) (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by three hundred sixty-six (366) and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by three hundred sixty-five (365));

(ii) if "**Actual/Actual-ICMA**" is specified in the relevant Pricing Supplement:

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one (1) Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

in each case where "**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date, and "**Determination Date**" means the date specified in the relevant Pricing Supplement or, if none is so specified, the Interest Payment Date;

(iii) if "**Actual/Actual-FBF**" is specified in the relevant Pricing Supplement, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is three hundred sixty-five (365) (or three hundred sixty-six (366) if 29 February falls within the Calculation Period). If the Calculation Period is of a duration of more than one (1) year, the basis shall be calculated as follows:

(x) the number of complete years shall be counted back from the last day of the Calculation Period;

(y) this number shall be increased by the fraction for the relevant period calculated as set out in the first paragraph of this definition;

(iv) if "**Actual/365 (Fixed)**" is specified in the relevant Pricing Supplement, the actual number of days in the Calculation Period divided by three hundred sixty-five (365);

(v) if "**Actual/360**" is specified in the relevant Pricing Supplement, the actual number of days in the Calculation Period divided by three hundred sixty (360);

(vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the relevant Pricing Supplement, the number of days in the Calculation Period divided by three hundred sixty (360) (the number of days to be calculated on the basis of a year of three hundred sixty (360) days with twelve (12) 30-day months (unless (a) the last day of the Calculation Period is the thirty first (31^{st}) day of a month but the first day of the Calculation Period is a day other than the thirtieth (30^{th}) or thirty-first (31^{st}) day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));

(vii) if "**30/360-FBF**" or "**Actual 30A/360 (American Bond Basis)**" is specified in the relevant Pricing Supplement, in respect of each Calculation Period, the fraction whose denominator is three hundred sixty (360) and whose numerator is the number of days calculated as for 30E/360-FBF, subject to the following exception:

where the last day of the Calculation Period is the 31st and the first day is neither the 30th nor the 31st, the last month of the Calculation Period shall be deemed to be a month of thirty-one (31) days,

using the same abbreviations as for 30E/360-FBF, the fraction is:

If dd2 = 31 and dd1 ≠ (30,31)

otherwise:

$$\frac{1}{360} \times [(aa2 - aa1) \times 360 + (mm2 - mm1) \times 30 + (jj2 - jj1)]$$

otherwise

$$\frac{1}{360} \times [(aa2 - aa1) \times 360 + (mm2 - mm1) \times 30 + \mathrm{Min}(jj2, 30) - \mathrm{Min}(jj1, 30)];$$

(viii) if "**30E/360**" or "**Eurobond Basis**" is specified in the relevant Pricing Supplement, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of three hundred sixty (360) days with twelve (12) 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

(ix) if "**30E/360-FBF**" is specified in the relevant Pricing Supplement, in respect of each Calculation Period, the fraction whose denominator is three hundred sixty (360) and whose numerator is the number of days elapsed during such period, calculated on the basis of a year comprising twelve (12) months of thirty (30) days, subject to the following exception:

if the last day of the Calculation Period is the last day of the month of February, the number of days elapsed during such month shall be the actual number of days,

where:

D1 (dd1, mm1, yy1) is the date of the beginning of the period

D2 (dd2, mm2, yy2) is the date of the end of the period

the fraction is:

$$\frac{1}{360} \times [(aa2 - aa1) \times 360 + (mm2 - mm1) \times 30 + \mathrm{Min}(jj2, 30) - \mathrm{Min}(jj1, 30)].$$

"**Effective Date**" means, with respect to any Floating Rate to be determined according to the Screen Rate Determination on an Interest Determination Date, the date specified as such in the relevant Pricing

Supplement or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

"**Euroclear France**" means the central depository of French notes located 66, rue de la Victoire, 75009 Paris, which is a subsidiary of Euroclear.

"**Euro Zone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

"**FBF Definitions**" means the definitions set out in the 2013 FBF Master Agreement relating to transactions on forward financial instruments as supplemented by the Technical Schedules (*Additifs Techniques*) as published by the *Fédération Bancaire Française* and as amended from time to time, in their updated version applicable at the Issue Date of the first Tranche of the relevant Series (together the "**FBF Master Agreement**").

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

"**Interest Amount**" means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount (as these terms are defined in paragraph (b) below), as the case may be, as indicated in the relevant Pricing Supplement.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the relevant Pricing Supplement.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Pricing Supplement or, if none is so specified, (i) the day falling two (2) TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two (2) Business Days in the city specified in the Pricing Supplement for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro.

"**Interest Payment Date**" means the date(s) specified in the relevant Pricing Supplement.

"**Interest Period**" means the period beginning on (and including) the Interest Commencement 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 Period Date**" means each Interest Payment Date unless otherwise specified in the relevant Pricing Supplement.

"**Issue Date**" means for each relevant Tranche the closing date of the Notes for such Tranche.

"**Margin**" means, for an Accrual Interest Period, the percentage or number for the applicable Accrual Interest Period, as indicated in the relevant Pricing Supplement, being underlined that such margin may have a positive value, a negative value or equal zero.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions of these Terms and Conditions as amended or completed by the relevant Pricing Supplement.

"**Reference Banks**" means the institutions specified as such in the relevant Pricing Supplement or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money or swap market) that is most closely connected with the Benchmark (which, if EURIBOR (or TIBEUR in French) is the relevant Benchmark, shall be the Euro-zone.

"**Relevant Financial Centre**" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Pricing Supplement or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR (TIBEUR in French), shall be the Euro-zone or, if none is so connected, Paris).

"**Relevant Date**" means, in respect of any Note, Receipt or Coupon, the date on which payment in respect of it first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (in the case of Materialised Notes if earlier) the date seven (7) calendar days after that on which notice is duly given to the holders of such Materialised Notes that, upon further presentation of the Materialised Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

"**Relevant Rate**" means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Pricing Supplement or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre and for this purpose "**local time**" means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, 11:00 a.m. (Brussels time).

"**Representative Amount**" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Pricing Supplement or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

"**Screen Page**" means such page, section, caption, column or other part of a particular information service (including, Thomson Reuters) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate, as set out in the relevant Pricing Supplement.

"**Specified Currency**" means the currency specified as such in the relevant Pricing Supplement.

"**Specified Duration**" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Pricing Supplement or, if none is specified, a period of time equal to the relevant Interest Accrual Period, ignoring any adjustment pursuant to Condition 5(c)(ii).

(b) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount, from the Interest Commencement Date (included), at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable annually, semi-annually, quarterly, or monthly (unless provided otherwise in the relevant Pricing Supplement) in arrear, on each Interest Payment Date, all as indicated in the relevant Pricing Supplement.

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Pricing Supplement, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Pricing Supplement.

(c) Interest on Floating Rate Notes

(i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount, from the Interest Commencement Date (included), at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable annually, semi-annually, quarterly, or monthly (unless provided otherwise in the relevant Pricing Supplement), in arrear, on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Pricing Supplement as Specified Interest Payment Dates; if no Specified Interest Payment Date(s) is/are shown in the relevant Pricing Supplement, Interest Payment Date shall mean each date which falls the number of months or any other period shown in the relevant Pricing Supplement as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the "**Floating Rate Business Day Convention**", such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the

immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the "**Following Business Day Convention**", such date shall be postponed to the next day that is a Business Day, (C) the "**Amended Following Business Day Convention**", such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the "**Preceding Business Day Convention**", such date shall be brought forward to the immediately preceding Business Day, unless otherwise specified in the relevant Pricing Supplement. Notwithstanding the foregoing, where the applicable Pricing Supplement specify that the relevant Business Day Convention is to be applied on an "unadjusted" basis, the Interest Amount payable on any date shall not be affected by the application of the relevant Business Day Convention.

(iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in accordance with the provisions below (unless otherwise specified in the relevant Pricing Supplement) relating to either FBF Determination or Screen Rate Determination, depending upon the option which is specified in the relevant Pricing Supplement.

(A) FBF Determination for Floating Rate Notes

Where FBF Determination is specified in the relevant Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Agent as a rate equal to the relevant FBF Rate plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (A), "**FBF Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Agent under a notional interest rate swap transaction (*Echange*) in the Specified Currency incorporating the FBF Definitions and under which:

(a) the Floating Rate is as specified in the relevant Pricing Supplement; and

(b) the Floating Rate Determination Date is as specified in the relevant Pricing Supplement.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Agent**" and "**Floating Rate Determination Date**" are translations of the French terms "***Taux Variable***", "***Agent***" and "***Date de Détermination du Taux Variable***", respectively, which have the meanings given to those terms in the FBF Definitions.

If the paragraph "Floating Rate" in the relevant Pricing Supplement provides that the interest rate will be determined by linear interpolation in respect of an Interest Period, the Interest Rate applicable to such Interest Period will be calculated by the Calculation Agent by linear interpolation between two (2) interest rates based on the applicable Floating Rate, provided that the first interest rate corresponds to a maturity immediately inferior to the duration of the relevant Interest Period and the second rate corresponds to a maturity immediately superior to the same Interest Period.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest applicable to each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

(a) if the Primary Source for Floating Rate is a Screen Page, subject as provided below, the Rate of Interest shall be:

(i) the Relevant Rate (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity) or

(ii) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page,

in each case appearing on such Screen Page at the Relevant Time on the Interest Determination Date as set out in the relevant Pricing Supplement, plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any);

(b) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (a)(i) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the

Interest Determination Date or if sub-paragraph (a)(ii) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent, plus or minus (as indicated in the relevant Pricing Supplement) the Margin;

(c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates *per annum* (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount in the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of such Specified Currency or, if the Specified Currency is Euro, of any country in the Euro-zone as selected by the Calculation Agent (the "**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (i) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (ii) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period as indicated, as the case may be, in the relevant Pricing Supplement).

If the paragraph "Benchmark" in the relevant Pricing Supplement provides that the interest rate will be determined by linear interpolation in respect of an Interest Period, the Interest Rate applicable to this Interest Period will be calculated by the Calculation Agent by linear interpolation between two (2) interest rates based on the relevant Benchmark, provided that the first rate corresponds to a maturity immediately inferior to the duration of the relevant Interest Period and the second rate corresponds to a maturity immediately superior to the same Interest Period; and

(d) Notwithstanding the provisions mentioned in paragraphs (a) to (c) above (unless specified otherwise in the relevant Pricing Supplement), if at any time prior to or on any Interest Determination Date, the Issuer in consultation with the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, that the Relevant Rate of such Notes has been discontinued or that an Administrator/Benchmark Event has occurred:

(a) the Issuer will as soon as reasonably practicable appoint an agent (the "**Relevant Rate Determination Agent**") that shall determine, acting in good faith and in a commercially reasonable manner, whether, for the purposes of determining the Relevant Rate on each following Interest Determination Date, a Successor Rate or failing which, an Alternative Rate is available. If the Relevant Rate Determination Agent determines that there is an industry-accepted Successor Rate or Alternative Rate, the Relevant Rate Determination Agent will use such Replacement Relevant Rate. The Relevant Rate Determination Agent may be (i) a leading bank or a broker-dealer in the Relevant Financial Centre or the Principal Financial Centre, as the case may be, of the Specified Currency, (ii) an independent financial adviser and/or (iii) the Calculation Agent;

(b) if the Relevant Rate Determination Agent has determined a Replacement Relevant Rate in accordance with the foregoing, the Relevant Rate Determination Agent will also determine concomitant changes (if any) to the Business Day Convention, the definition of Business Day, the Interest Determination Date, the Day Count Fraction, the Adjustment Spread, and any method for obtaining the Replacement Relevant Rate, and such other changes or adjustments necessary to make such Replacement Relevant Rate as comparable as possible to the Relevant Rate, in each case in a manner that is consistent with industry-accepted practices for such Replacement Relevant Rate and such guidance promulgated by associations involved in the establishment of market standards and/or protocols in the international financial and/or debt capital markets as the Relevant Rate Determination Agent may consider relevant for such Replacement Relevant Rate;

(c) references to the "Relevant Rate" in these Conditions will henceforth be deemed to be references to the Replacement Relevant Rate, including any concomitant changes and adjustments determined in accordance with sub-paragraph (d)(ii) above. The determination of the Replacement Relevant Rate and such concomitant changes and adjustments by the Relevant Rate Determination Agent will (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent, the Fiscal Agent, the Noteholders and any other person and each Noteholder shall be deemed to have accepted the Replacement Relevant Rate and such related changes and adjustments pursuant to this sub-paragraph (d); and

(d) as soon as reasonably practicable, the Relevant Rate Determination Agent will notify the Issuer of the foregoing and the Issuer will give notice to the Noteholders (in accordance with Condition 14) and the Fiscal Agent specifying the Replacement Relevant Rate, as well as the concomitant changes and adjustments determined in accordance with sub-paragraph (d)(ii) above.

If the Relevant Rate Determination Agent has determined that the Relevant Rate has been discontinued and/or an Administrator/Benchmark Event has occurred, and for any reason a Replacement Relevant Rate has not been or cannot be determined on or prior to the next following Interest Determination Date, then no Replacement Relevant Rate will be adopted, and in such case, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum Rate of Interest or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

Where:

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Relevant Rate Determination Agent determines and which is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders, Receiptholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended or formally provided as an option for parties to adopt in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) if no recommendation required under the subparagraph (i) above has been made or in the case of an Alternative Rate, the Relevant Rate Determination Agent determines and which is recognised or acknowledged as being a customary market usage in the international debt capital market for transactions or, if not, the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate, as the case may be; or

(iii) if no such recommendation or option has been made (or made available), or the Relevant Rate Determination Agent determines there is no such spread, formula or methodology in customary market usage, the Relevant Rate Determination Agent, acting in good faith, determines to be appropriate.

"**Administrator/Benchmark Event**" means, in relation to any Floating Rate Notes and a Benchmark, the occurrence of a Benchmark Modification or Cessation Event, a Non-Approval Event, a Rejection Event or a Suspension/Withdrawal Event.

"**Alternative Rate**" means an alternative benchmark or screen rate which the Relevant Rate Determination Agent determines in accordance with this Condition 5(c)(iii)(B)(d) and which is customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Floating Rate Notes.

"**Benchmark Modification or Cessation Event**" means, in respect of any Floating Rate Notes and a Benchmark:

(a) any material changes in such Benchmark;

(b) the permanent or indefinite cancellation or cessation in the provision of such Benchmark;

(c) a relevant regulator or other official sector entity prohibits the use of such Benchmark.

"**Benchmark Regulation**" means the Benchmark Regulation (Regulation (EU) 2016/1011) (as may be amended from time to time).

"**Non-Approval Event**" means, in respect of the Benchmark:

(a) any authorisation, registration, recognition, endorsement, equivalence or approval in respect of the Benchmark or the administrator or sponsor of the Benchmark has not been or will not be obtained; or

(b) the Benchmark or the administrator or sponsor of the Benchmark has not been or will not be included in an official register; or

(c) the Benchmark or the administrator or sponsor of the Benchmark does not or will not fulfil any legal or regulatory requirement applicable to the Floating Rate Notes, the Issuer, the Calculation Agent or the Benchmark,

in each case, as required under any applicable law or regulation for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Floating Rate Notes. For the avoidance of doubt, a Non-Approval Event shall not occur if, notwithstanding that the Benchmark or the administrator or sponsor of the Benchmark is not or will not be included in an official register because its authorisation, registration, recognition, endorsement, equivalence or approval is suspended, at the time of such suspension the continued provision and use of the Benchmark is nevertheless permitted in respect of the Floating Rate Notes under applicable law or regulation during the period of such suspension.

"**Original Reference Rate**" means the benchmark or screen rate (as applicable) originally specified for the purpose of determining the relevant Rate of Interest (or any relevant component part(s) thereof) on the Floating Rate Notes.

"**Rejection Event**" means, in respect of the Benchmark, the relevant competent authority or other relevant official body rejects or refuses or will reject or refuse any application for authorisation, registration, recognition, endorsement, equivalence, approval or inclusion in any official register which, in each case, is required in relation to the Floating Rate Notes, the Benchmark or the administrator or sponsor of the Benchmark under any applicable law or regulation for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Floating Rate Notes.

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(a) the central bank, reserve bank, monetary authority or any other similar institution (as applicable) for the currency to which the benchmark or screen rate (as applicable) relates; or

(b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank, reserve bank, monetary authority or any other similar institution (as applicable) for the currency to which the benchmark or screen rate (as applicable) relates, (ii) a group of the aforementioned institutions or (iv) the Financial Stability Board or any part thereof.

"**Replacement Relevant Rate**" means the Successor Rate or the Reference Rate as determined by the Relevant Rate Determination Agent for the purpose of determining the Relevant Rate, as the case may be.

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body. If the Relevant Nominating Body nominates several successors to or replacements of the Original Reference Rate, the Relevant Rate Determination Agent will determine which of these successors to or replacements of the Original Reference Rate is the most appropriate, taking into account the specific terms and conditions of the Notes and the Issuer's nature.

"**Suspension/Withdrawal Event**" means, in respect of the Benchmark:

(a) the relevant competent authority or other relevant official body suspends or withdraws or will suspend or withdraw any authorisation, registration, recognition, endorsement, equivalence decision or approval in relation to the Benchmark or the administrator or sponsor of the Benchmark which is required under any applicable law or regulation for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Floating Rate Notes; or

(b) the Benchmark or the administrator or sponsor of the Benchmark is or will be removed from any official register where inclusion in such register is or will be required under any applicable law in order for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Floating Rate Notes.

For the avoidance of doubt, a Suspension/Withdrawal Event shall not occur if such authorisation, registration, recognition, endorsement, equivalence decision or approval is or will be suspended or where inclusion in any official register is or will be withdrawn if, at the time of such suspension or withdrawal, the continued provision and use of the Benchmark is permitted in respect of the Floating Rate Notes under applicable law or regulation during the period of such suspension or withdrawal.

(d) Interest on Fixed/Floating Rate Notes

Where a Change of Interest Basis in the relevant Pricing Supplement is specified to be Applicable, unless otherwise specified in the relevant Pricing Supplement, each Note shall bear interest on its outstanding nominal amount at a rate that:

(a) the Issuer may decide to convert on the switch date specified in the relevant Pricing Supplement (the "**Switch Date**") from Fixed Rate (as calculated in accordance with Condition 5(b), amended and/or supplemented in the relevant Pricing Supplement) to Floating Rate (as calculated in accordance with Condition 5(c), amended and/or supplemented in the relevant Pricing Supplement) or from Floating Rate to Fixed Rate (an "**Issuer Change of Interest Basis**"), it being specified that any such Issuer Change of Interest Basis shall be applicable provided that it is reported by the Issuer to the Noteholders within the period specified in the relevant Pricing Supplement and in accordance with Condition 14; or

(b) automatically changes from Fixed Rate to Floating Rate or from Floating Rate to Fixed Rate on the Switch Date specified in the relevant Pricing Supplement (an "**Automatic Change of Interest Basis**").

(e) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon and, if so specified in the relevant Pricing Supplement, is repayable prior to the Maturity Date pursuant to an Issuer's call option or a Noteholders' put option, in accordance with the provisions of Condition 6(c) or 6(d), pursuant to Condition 6(e) or otherwise specified in these Terms and Conditions or in the relevant Pricing Supplement, and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Optional Redemption Amount or the Early Redemption Amount, as the case may be. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate *per annum* (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(e)(i)).

(f) Accrual of interest

Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgement) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.

(g) Margin, Rate Multiplier, Maximum or Minimum Rate of Interest, Instalment Amounts, Maximum or Minimum Redemption Amounts and Rounding

(a) If any Margin or Rate Multiplier is specified in the relevant Pricing Supplement, either (x) generally or (y) in relation to one or more Interest Accrual Periods, an adjustment shall be made to all Rates of Interest in the case of (x), or to the Rates of Interest for the specified Interest Accrual Periods in the case of (y), calculated in accordance with Condition 5(c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin or by multiplying the Rate of Interest by the Rate Multiplier, subject always to the next paragraph.

(b) If a Minimum Rate of Interest, a Maximum Rate of Interest, a Minimum Instalment Amount, a Maximum Instalment Amount, a Minimum Redemption Amount or a Maximum Redemption Amount is specified in the relevant Pricing Supplement, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(c) Unless a higher Minimum Rate of Interest is specified in the relevant Pricing Supplement, the Minimum Rate of Interest shall be deemed to be zero per cent (0 %).

(d) For the purposes of any calculations required pursuant to these Terms and Conditions, unless otherwise specified in the relevant Pricing Supplement, (i) if FBF Determination is specified in the relevant Pricing Supplement, all percentages resulting from such calculations shall be rounded, if necessary, to the nearest ten-thousandth of a percentage point (with halves being rounded up), (ii) otherwise all percentages resulting from such calculations shall be rounded, if necessary, to the nearest fifth decimal (with halves being rounded up) and (iii) all figures shall be rounded to seven figures (with halves being rounded up) and (iv) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For the purposes of this Condition, "unit" means the lowest amount of such currency that is available as legal tender in the country of such currency.

(h) Calculations

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction unless an Interest Amount is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

(i) Determination and publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, and Instalment Amounts

The Calculation Agent, as soon as practicable on such date after the Relevant Time as it may be required to calculate any rate or amount, obtain any quotation, or make any determination or calculation, determine such rate, and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period. The Calculation Agent shall also calculate the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount, or the Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be. Then, the Calculation Agent shall cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the holders of Notes, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information. If the Notes are admitted to trading on a Regulated Market and the rules of such Regulated Market so require, the Calculation Agent shall also notify such Regulated Market of such information as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such Regulated Market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where the Interest Payment Date or the Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) Calculation Agent and Reference Banks

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Pricing Supplement and for so long as any Note is outstanding (as defined above). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Terms and Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Terms and Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money or swap market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, that Regulated Market so require, notice of any change of Calculation Agent shall be given in accordance with Condition 14.

6. Redemption, purchase, and options

(a) Final redemption

Unless previously redeemed or purchased and cancelled as provided below, any Noteholders' option in accordance with Condition 6(d), each Note shall be redeemed on the Maturity Date specified in the relevant Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) specified in the relevant Pricing Supplement or, in the case of a Note falling within Condition 6(b) below, its final Instalment Amount.

(b) Redemption by Instalments

Unless previously redeemed or purchased and cancelled as provided in this Condition 6 each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Pricing Supplement. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Reference Date relating to such Instalment Amount.

(c) Redemption at the option of the Issuer, exercise of Issuer's options and partial redemption

If a call option is specified in the relevant Pricing Supplement, the Issuer may, subject to compliance of all the relevant laws, regulations and directives applicable to the Issuer and on giving not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice in accordance with Condition 14 to the holders of Notes (or such other notice period as may be specified in the relevant Pricing Supplement) redeem all or, if so provided, some of the Notes on any Optional Redemption Date, as indicated in the relevant Pricing Supplement. Any such redemption of Notes shall be at their Optional Redemption Amount indicated in the relevant Pricing Supplement, together with interest accrued to the effective date for redemption. Any partial redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed as specified in the relevant Pricing Supplement and no greater than the Maximum Redemption Amount to be redeemed as specified in the relevant Pricing Supplement.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the number of the Definitive Materialised Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange requirements.

In the case of a partial redemption of or a partial exercise of an Issuer's option in respect of Dematerialised Notes, the redemption will be effected by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed subject to compliance with any other applicable laws and stock exchange requirements.

So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market require, the Issuer shall, each time there has been a partial redemption of the Notes, cause to be published (i) as long as such Notes are admitted to trading on Euronext Paris and the rules of such Regulated Market so permit, on its website (https://seine-et-marne.fr/fr/notation-financiere) or (ii) in a leading newspaper with general circulation in the city where the Regulated Market on which such Notes are admitted to trading is located, which in the case of the Euronext Paris is expected to be *Les Echos*, a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes, a list of any Definitive Materialised Notes drawn for redemption but not surrendered.

In the event of partial redemption, the Specified Denomination, the Final Redemption Amount, the Early Redemption Amount, Optional Redemption Amount, Instalment Amount and the principal on the Notes must be adjusted to take the partial redemption into account.

(d) Redemption at the option of Noteholders and exercise of Noteholders' options

If a put option is specified in the relevant Pricing Supplement, the Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than fifteen (15) nor more than thirty (30) calendar days' notice to the Issuer (or such other notice period as may be specified in the relevant Pricing Supplement) redeem such Note on the Optional Redemption Date(s), as indicated in the relevant Pricing Supplement, at its Optional Redemption Amount indicated in the relevant Pricing Supplement, together with interest accrued to the effective date for redemption.

To exercise such option the Noteholder shall deposit with a Paying Agent at its specified office a duly completed option exercise notice (the "**Exercise Notice**") in the form obtained during normal business hours from any Paying Agent or the Registration Agent, as the case may be, within the notice period. In the case of Materialised Notes, the Exercise Notice shall have attached to it the relevant Notes (together with all unmatured Receipts and Coupons and unexchanged Talons). In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Paying Agent with a specified office in Paris, as specified in the Exercise Notice. No option so exercised and, where applicable, no Note so deposited or transferred, may be withdrawn without the prior consent of the Issuer.

(e) Early redemption

(i) Zero Coupon Notes

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note upon redemption of such Note pursuant to Condition 6(f) or 6(i) or upon it becoming due and payable as provided in Condition 9 shall be the Amortised Nominal Amount (calculated as provided below) of such Note.

(B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Zero Coupon Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate *per annum* (expressed as a percentage) equal to the Amortisation Yield , compounded annually.

(C) If the Amortised Nominal Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(f) or 6(i) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable was the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue until the effective date for redemption in accordance with Condition 5(e).

Where such calculation is to be made for a period of less than one (1) year, it shall be made on the basis of the Day Count Fraction as provided in the relevant Pricing Supplement.

(ii) Other Notes

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(f) or 6(i) or upon it becoming due and payable as provided in Condition 9 shall be the Final Redemption Amount together with interest accrued to the effective date for redemption.

(f) Redemption for taxation reasons

(i) If, by reason of any change in French law or regulation, or any change in the official application or interpretation of such law or regulation by competent French authorities, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8(b) below, the Issuer may, at its option, on any Interest Payment Date or, if so specified in the relevant Pricing Supplement, at any time, subject to having given not more than sixty (60) nor less than thirty (30) calendar days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 14, redeem all, but not some only, of the Notes at their Early Redemption Amount together with, unless otherwise specified in the Pricing Supplement, any interest accrued to the effective date for redemption provided that the due date for redemption of which notice 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 withholding for French taxes.

(ii) If the Issuer would, on the next payment of principal or interest in respect of the Notes, be prevented by French law from making payment to the Noteholders or, if applicable, Couponholders of the full amounts then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8(b) below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent. The Issuer shall upon giving not less than seven (7) calendar days' prior notice to the Noteholders in accordance with Condition 14, redeem all, but not some only, of the Notes then outstanding (as defined above) at their Early Redemption Amount together with, unless otherwise specified in the Pricing Supplement, any interest accrued to the date set for redemption from (A) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice referred to above would expire after such Interest Payment Date the date for redemption of Noteholders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) fourteen (14) calendar days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified in the relevant Pricing Supplement, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes, or, if applicable, Receipts or Coupons or, if that date is passed, as soon as practicable thereafter.

(g) Purchases

The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise (including by tender offer) at any price, subject to the applicable laws and regulations.

The Pricing Supplement will specify whether the Notes so purchased by the Issuer may be purchased and held in accordance applicable French laws and regulations.

(h) Cancellation

All Notes redeemed or purchased by or on behalf of the Issuer for cancellation, will be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, by surrendering the relevant Temporary Global Certificate or the Definitive Materialised Notes in question, together with all unmatured Receipts and Coupons and all unexchanged Talons, if applicable, to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Definitive Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(i) Illegality

If, by reason of any coming into effect of a new law or regulation in France, a change in French law or any mandatory French provision, or any change in the official judicial or administrative application or interpretation of such law by any competent authority, becoming effective after the Issue Date, it would become unlawful for the Issuer to perform or comply with its obligations under the Notes, the Issuer will redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the effective date for redemption in a notice to Noteholders, which shall be published in accordance with Condition 14 not more than forty-five (45) nor less than thirty (30) calendar days' prior to such payment (which notice shall be irrevocable).

7. Payments and Talons

(a) Dematerialised Notes

Payments of principal and interest in respect of Dematerialised Notes shall (i) in the case of Dematerialised Notes in bearer dematerialised form or administered registered form, be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the holders of Notes and, (ii) in the case of Dematerialised Notes in fully registered form, to an account denominated in the relevant currency with a Bank (as defined below) designated by the relevant holder of Notes. All payments validly made to such Account Holders or Bank will be an effective discharge of the Issuer in respect of such payments.

(b) Definitive Materialised Notes

(i) Method of payment

Subject as provided below, any payment in a Specified Currency will be made by credit, or transfer to, an account denominated in the Specified Currency, or an account to which the Specified Currency may be credited or transferred (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee, or at the option of the payee, by a cheque in the Specified Currency drawn on a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Euro, shall be any country in the Euro-zone, and, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively).

(ii) Presentation and surrender of Definitive Materialised Notes, Receipts and Coupons

Payments of principal in respect of Definitive Materialised Notes will (subject as provided below) be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of partial payment of any sum due, annotation) of such Notes, and payments of interest in respect of Definitive Materialised Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, annotation) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal (if any) in respect of Definitive Materialised Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of part payment of any sum due, annotation) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of part payment of any sum due, annotation) of the relevant Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Materialised Note to which it appertains. Receipts presented without the Definitive Materialised Note to which they appertain do not constitute valid obligations of the Issuer.

Upon the date upon which any Definitive Materialised Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment will be made in respect thereof.

Fixed Rate Notes in definitive form should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before 1 January of the fourth year following the due date for such amount, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note in definitive form becomes due and repayable prior to its Maturity Date, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any Definitive Materialised Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against presentation and surrender (if appropriate) of the relevant Definitive Materialised Note.

(c) Payments in the United States

Notwithstanding the foregoing, if any Materialised Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) Payments subject to fiscal laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations, and directives but without prejudice to Condition 8. No commission or expenses shall be charged to the holders of Notes or Couponholders in respect of such payments.

(e) Appointment of Agents

The Fiscal Agent, the Paying Agent(s) and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed at the end of this Offering Circular. The Fiscal Agent, the Paying Agent(s), and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent expert(s) and, in each case such, may not be considered as agents in respect of any Noteholder or Couponholder (unless otherwise stated). The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any Paying Agent, Registration Agent or Calculation Agent and to appoint other Fiscal Agent, Paying Agent(s), Registration Agent(s) or Calculation Agent(s) or additional Paying Agent(s), Registration Agent(s) or Calculation Agent(s), provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Terms and Conditions so require, (iii) Paying Agent having specified offices in at least one major European city (and ensuring the financial services of the Notes in France so long as the Notes are admitted to trading on Euronext Paris and in such other city where the Notes are admitted to trading on any other Regulated Market, so long as the Notes are admitted to trading on such Regulated Market) (iv) in the case of Dematerialised Notes in fully registered form, a Registration Agent and (v) such other agents as may be required by the rules of any other Regulated Market on which the Notes may be admitted to trading.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the holders of Notes in accordance with Condition 14.

(f) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary, another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10).

(g) Business Days for payment

If any date for payment in respect of any Note, Receipt or Coupon is not a business day (as defined below), the Noteholder, the Receiptholder or the Couponholder shall not be entitled to payment until the following business day nor to any interest or other sum in respect of such postponed payment (subject to the application of Condition 5(c)(ii)). In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business, or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant financial place of presentation, (B) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as "**Financial Centre(s)**" in the relevant Pricing Supplement and (C) (i) in the case of a payment in a currency other than Euro, where payment is to be made by transfer to an account maintained with a bank in the Specified Currency, on which foreign exchange transactions may be carried on in such Specified Currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in Euro, which is a TARGET Business Day.

(h) Bank

For the purpose of this Condition 7, "**Bank**" means a bank in the principal financial centre of the Specified Currency or, in the case of payments in Euro, in a city in which banks have access to the TARGET System.

8. Taxation

(a) Withholding tax

All payments of principal, interest, and other revenue 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, any taxes, duties, assessments, or governmental charges of whatever nature imposed, levied, collected, withheld, or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction comes to be required by law.

(b) Additional amounts

If French law should require that payments of principal, interest or other revenue in respect of any Note, Receipt or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the Receiptholders and the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon, as the case may be in the following events:

(i) Other connection

a Noteholder or Couponholder, or a third party on his behalf, is liable to such taxes or duties in France by any reason other than the mere holding of the Note, Receipt or Coupon; or

(ii) More than thirty (30) calendar days after the Relevant Date

in the case of Definitive Materialised Notes, more than thirty (30) calendar days have elapsed after the Relevant Date except to the extent that the Noteholder, Receiptholder or Couponholder would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day; or

(iii) Payment by another Paying Agent

in the case of Definitive Materialised Notes presented for payment, such withholding or deduction is made by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union; or

References in these Terms and Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, all Final Redemption Amounts, all Early Redemption Amounts, all Optional Redemption Amounts, all Amortised Nominal Amounts and any other amounts in the nature of principal payable pursuant to Condition 7 or any amendment or supplement to it, (ii) "**interest**" are deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" are deemed to include any additional amounts that may be payable under this Condition.

9. Events of Default

The Representative (as defined in Condition 11), by itself or upon request of any Noteholder may, upon written notice to the Issuer (with copy to the Fiscal Agent) given before all defaults shall have been cured, cause all the Notes (but not some only) to become immediately due and payable at their Early Redemption Amount, together with any accrued interest on such Notes, until the actual redemption date, if any of the following events (each, an "**Event of Default**") shall occur:

(i) default in the payment of principal of, or interest on, any amount due by the Issuer in respect of any Note, Receipt or Coupon for more than thirty (30) calendar days from the due date for such payment; or

(ii) default in the due performance of any other obligation of the Issuer in respect of the Notes, if such default, manifestly capable of remedy, shall not have been remedied within thirty (30) calendar days from receipt by the Issuer of a written notice of such default given by the Representative or a Noteholder; or

(iii) the Issuer is no longer able to meet its mandatory expenditures as defined in Article L.3321-1 of the French *Code général des collectivités territoriales*; or

(iv) (a) any bank or bond indebtedness for borrowed money of the Issuer is not paid by the Issuer, in whole or in part, when it becomes due or prematurely redeemable or, as the case may be, at the expiry of any applicable grace period expressly granted under such indebtedness agreements, provided that the outstanding principal amount due under such indebtedness is in excess of fifty million (50,000,000) euros (or its equivalent in any other currency); or any guarantee(s) granted by the Issuer in respect of any bank or bond indebtedness for borrowed money of third parties is not paid by the Issuer, in whole or in part, when such guarantee(s) is (are) due and called upon, provided that the amount of such guarantee(s) is in excess of fifty million (50,000,000) euros (or its equivalent in any other currency); or

(v) loss by the Issuer of the status of local authority (*collectivité territoriale*),

provided that any event contemplated in paragraphs (iii) and (iv) above shall not constitute an Event of Default and the periods referred to in paragraphs (i) and (ii) above shall be suspended, in the event that the Issuer notifies the Noteholders (in accordance with Condition 14), before the expiry of the relevant period of the need, in order to cure such defaults, to adopt a budgetary deliberation for the payment of unforeseen or additional budget expenses in relation to debt service, until (and including) the date on which such budgetary deliberation is enforceable (*exécutoire*), from which the suspension periods referred to above will end.

The Issuer shall notify the Noteholders (in accordance with Condition 14) the date on which such deliberation becomes enforceable (*exécutoire*).

In the event that such deliberation has not been adopted and is not enforceable (*exécutoire*) within the four-month period beginning on the notice regarding the requirement to adopt such deliberation given by the Issuer to the Noteholders, the events referred to in paragraphs (iii) and (iv) above shall constitute an Event of Default and the periods specified in paragraphs (i) and (ii) shall continue to run upon expiry of such four (4)-month period.

10. Prescription

Claims against the Issuer for payment in respect of any amount due under the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed within four (4) years from 1 January of the year following the date on which such amount fell due.

11. Representation of Noteholders

The Noteholders will, in respect of all Tranches in any Series, be grouped automatically in a *masse* (the "**Masse**") for the defence of their common interests.

The Masse will be governed by the provisions of Articles L.228-46 *et seq.* of the French Commercial Code (*Code de commerce*) as completed by this Condition.

(a) Legal Personality

The Masse will be a separate legal entity and will act in part through a representative (the "**Representative**") and in part through collective decisions (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 respectively with respect to the Notes.

(b) Representative

The office of Representative may not be conferred on the following persons:

(i) the Issuer, the members of its Departmental Council (*Conseil Départemental*), its employees and their ascendants, descendants, and spouses; or

(ii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of directors (*Conseil d'administration*), executive board (*directoire*) or supervisory board (*conseil de surveillance*), their statutory auditors, employees and their ascendants, descendants, and spouse; or

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

The names and addresses of the initial Representative and its alternate will be set out in the relevant Pricing Supplement.

The Representative will be entitled to such remuneration in connection with its function or duties, if any, as set out in the relevant Pricing Supplement. The Representative appointed in respect of the first Tranche or Series of Notes will be the Representative of the single Masse of all such Series.

In the event of death, retirement, dissolution, or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement, dissolution, or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative at the head office of the Issuer and the specified office(s) of any of the Paying Agents.

(c) Powers of the Representative

The Representative shall (in the absence of any contrary Collective Decision) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders, with the capacity to delegate its powers.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

The Representative may not be involved in the management of the affairs of the Issuer.

(d) Collective Decisions

Collective Decisions are adopted either (i) in a general meeting (the "**General Meeting**") or (ii) by unanimous consent of the Noteholders following a written consultation (the "**Written Unanimous 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 or the Issuer or the Registration Agent (as the case may be) of the name of such Noteholder as of 0:00 Paris time, on the second (2^{nd}) business day in Paris preceding the date set for the Collective Decision.

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

Collective Decisions must be published in accordance with the provisions set forth in Condition 14.

(i) General Meeting

A General Meeting 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 ($1/30^{st}$) of the principal amount of the Notes outstanding (as defined above), may address to the Issuer and the Representative a request for convocation of the General Meeting. If such General Meeting has not been convened within two (2) months after such request, the Noteholders may commission one of themselves to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

In accordance with the provisions of Article R.228-67 first paragraph of the French *Code de commerce*, notice of the date, hour, place, and agenda of any General Meeting will be published in accordance with Condition 14, not less than fifteen (15) calendar days prior to the date of the General Meeting on first convocation and not less than five (5) calendar days prior to the date of the General Meeting on second convocation.

Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

General Meetings may deliberate validly on first convocation only if the Noteholders present or represented hold at least one-fifth ($1/5^{th}$) of the principal amount of the Notes then outstanding (as defined above). On second convocation, no quorum shall be required. The decisions of the General Meeting shall be taken by a two-third ($2/3^{rd}$) majority of votes held by the Noteholders attending such General Meetings or represented thereat.

In accordance with the provisions of Article L.228-61 of the French *Code de commerce*, each Noteholder has the right to participate in General Meetings in person, by proxy, by correspondence, by videoconference, or by any other means of telecommunication allowing the identification of participating Noteholders.

Each Noteholder or representative thereof will have the right 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 General Meeting, all of which will be available for inspection by the relevant Noteholders at the office of the Issuer and at any other place specified in the notice of the General Meeting, during the fifteen (15) calendar day period preceding the holding of the General Meeting on first convocation, or during the five (5) calendar day period preceding the holding of the General Meeting on second convocation.

The General Meeting is chaired by the Representative. In the event of the absence of the Representative at the start of a General Meeting and if no Noteholder is present or represented, the Issuer may, notwithstanding the provisions of Article L.228-64 of the French *Code de commerce*, designate a provisional chairman until a new Representative has been appointed.

(ii) Written Unanimous Decision

In accordance with the provisions of Article L.228-46-1 of the French *Code de commerce*, Collective Decisions may also be taken by a Written Unanimous Decision, at the initiative of the Issuer or the Representative.

Such Written Unanimous Decisions shall be signed by or on behalf of all the Noteholders without having to comply with formalities and time limits referred to in Condition 11(d)(i). Any Written Unanimous Decision shall, for all purposes, have the same effect as a resolution passed at a General Meeting of such Noteholders. Subject to the following sentence, a Written Unanimous Resolution 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. Approval of a Written Unanimous Resolution may also be given by way of electronic communication allowing the identification of Noteholders.

(e) Expenses

The Issuer will pay all expenses relating to the operation of the Masse, including expenses relating to the adoption of Collective Decisions and, more generally, all administrative expenses resolved upon by the Collective Decisions, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

(f) Single Masse

The holders of Notes of the same Series, including the holders of Notes of any other Tranches which have been assimilated with the previously issued Notes of such first mentioned Tranches in accordance with Condition 13, shall, for the defence of their respective common interests, be grouped in a single Masse. The Representative appointed in respect of the first Tranche or Series of Notes will be the Representative of the single Masse of all such Series.

(g) Sole Noteholder

If and for so long as the Notes of any Series are held by a sole Noteholder and unless a Representative has been appointed in relation to such Series, such Noteholder shall exercise all powers, rights and obligations entrusted to the Representative and to the Noteholders acting through Collective Decisions by the provisions of the Terms and Conditions of the Notes.

From the date of appointment of the Representative, if and for so long as the Notes of the same Series are held by a sole Noteholder, such Noteholder shall exercise all powers, rights and obligations entrusted to the Noteholders acting through Collective Decisions pursuant to the Terms and Conditions of the Notes.

The Sole Noteholder shall hold (or cause its authorised agent to hold) a register of the decisions taken by him in this capacity and shall make it available, upon request, to any subsequent Noteholder. Unless appointed in the relevant Pricing Supplement, a Representative will have to be appointed from the moment that the Notes of any Series are held by more than one Noteholder.

(h) Notices to Noteholders

Any notice to be given to Noteholders in accordance with this Condition 11 shall be given in accordance with Condition 14.

For the avoidance of doubt, in this Condition 11, the term "outstanding" shall not include the Notes purchased and held by the Issuer, as more fully described in Condition 6(g).

12. Replacement of Definitive Materialised Notes, Receipts, Coupons and Talons

If, in the case of any Materialised Notes, a Definitive Materialised Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced, or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for this purpose and notice of whose designation is given to Noteholders. Such replacement shall be made on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Definitive Materialised Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Notes, Receipts, Coupons or further Coupons). Partially mutilated or defaced Materialised Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13. Further issues

The Issuer may from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further notes to be assimilated (*assimilées*) with the Notes already issued to form a single Serie, provided such Notes already issued and the further notes carry to their holders rights identical in all respects (or identical in all respects save as to the issue date, the issue price and the first payment of interest defined in the relevant Pricing Supplement) and that the terms and conditions of such Notes provide for such assimilation, and references in these Terms and Conditions to "**Notes**" shall be construed accordingly.

14. Notices

(a) Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective postal addresses, in which case they will be deemed to have been given on the fourth (4^{th}) Business Day after the mailing, and (ii) they are published in a newspaper of general circulation in Europe. It is specified that so long as such Notes will be admitted to trading on a Regulated Market and that the rules applicable to this Regulated Market so require, notices will only be deemed valid if they are published on the website of any relevant regulatory authority, in a daily leading financial newspaper with general circulation in the city/ies where such Notes is/are admitted to trading, which in the case of Euronext Paris is expected to be *Les Echos*, and by any other means required, as the case may be, by the rules applicable to such Regulated Market.

(b) Notices to the holders of Materialised Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published (i) in a daily leading financial newspaper of general circulation in Europe and (ii) so long as such Notes are admitted to trading on any Regulated Market(s) and that the rules applicable to this Regulated Market so require, notices will be published in a daily leading financial newspaper with general circulation in the city/ies where such Notes are admitted to trading is located, which in the case of Euronext Paris is expected to be *Les Echos*, and by any other means required, as the case may be, by the rules applicable to such Regulated Market.

(c) If any such publication is not practicable, notice shall be validly given if published in another daily leading financial newspaper with general circulation in Europe, provided that so long as the Notes are admitted to trading on any Regulated Market, notices shall be published in any other manner which is required, as the case may be, by the rules applicable to this Regulated Market. Noteholders shall be deemed to be informed of the contents of such notices on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.

(d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) (*au porteur* or *au nominatif*) pursuant to these Terms and Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publications as required by Conditions 14(a), (b) and (c) above; provided that so long as such Notes will be admitted to trading on a Regulated Market and the rules applicable to that Regulated Market so require, notices shall also be published in a daily leading financial newspaper with general circulation in the city/ies where such Notes are admitted to trading, which in the case of Euronext Paris is expected to be *Les Echos*, and by any other means required, as the case may be, by the rules applicable to such Regulated Market.

15. Amendments

These Terms and Conditions may be amended and/or supplemented (i) with regard to future issues of Notes and not with respect to outstanding Notes, by any amendment or update of the offering circular relating to the Issuer's EMTN programme dated 21 April 2022 or (ii) in respect of a relevant Tranche, through the relevant Pricing Supplement.

The parties to the Agency Agreement may, without the consent of the Noteholders, Receiptholders or Couponholders, amend this agreement or waive some of its stipulations for the purpose of resolving any ambiguity or rectifying, correcting or completing any inadequate stipulation of the Agency Agreement, or in any other way the parties to the Agency Agreement may deem necessary or desirable and insofar as, based on the reasonable opinion of these parties, it has not harmed the interests of the Noteholders, Receiptholders or Couponholders.

16. Governing law, language, and jurisdiction

(a) Governing law

The Notes, Receipts, Coupons and Talons are governed by, and shall be construed in accordance with, French law.

(b) Language

This Offering Circular has been prepared in the French language and the English language but only the French version shall be regarded as binding.

(c) Jurisdiction

Any claim against the Issuer in connection with any Notes, Receipts, Coupons or Talons will be submitted to the jurisdiction of the competent court of the *Cour d'appel de Paris* (subject to any applicable mandatory rules pertaining to the territorial jurisdiction of French courts).

Nevertheless, it is specified that the assets and properties of the Issuer are not subject to legal process (*voie d'exécution*) under private law or attachment in France.

TEMPORARY GLOBAL CERTIFICATES IN RESPECT OF MATERIALISED NOTES

Temporary Global Certificates

A temporary global certificate without interest coupons (a "**Temporary Global Certificate**") will initially be issued in connection with each Tranche of Materialised Notes, which will be delivered on or prior to the issue date of the Tranche with a common depositary (the "**Common Depositary**") for Euroclear Bank SA/NV ("**Euroclear**") and for Clearstream Banking, SA ("**Clearstream**"). Upon the delivery of such Temporary Global Certificate with a Common Depositary, Euroclear or Clearstream will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depositary may also credit with such principal amount of Notes the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems. Conversely, a principal amount of Notes that is initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, or other clearing systems.

Exchange

Each Temporary Global Certificate issued in respect of Materialised Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

(i) if the relevant Pricing Supplement indicates that such Temporary Global Certificate is issued in compliance with the TEFRA C Rules or in a transaction to which TEFRA is not applicable (see the chapter "Subscription and sale - Selling Restrictions"), in whole, but not in part, for Definitive Materialised Notes; and

(ii) otherwise, in whole but not in part, upon certification if required under U.S. Treasury regulation section 1.163-5(c)(2)(i)(D)(3) as to non-U.S. beneficial ownership (a form of which shall be available at the specified office(s) of any of the Paying Agents) for Definitive Materialised Notes.

Delivery of Definitive Materialised Notes

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to, or to the order of, the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Notes. In this Offering Circular, "**Definitive Materialised Notes**" means, in relation to any Temporary Global Certificate, the Definitive Materialised Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Notes will be security printed in accordance with any applicable legal and Regulated Market requirements. Forms of such Definitive Materialised Notes shall be available at the specified office(s) of any of the Paying Agents.

Exchange Date

"**Exchange Date**" means, in relation to a Temporary Global Certificate in respect of any Materialised Notes, the day falling after the expiry of forty (40) calendar days after its issue date, provided that in the event any further Materialised Notes which are to be assimilated with such first mentioned Materialised Notes are issued prior to such day pursuant to Condition 13, the Exchange Date may, at the option of the Issuer, be postponed to the day falling after the expiry of forty (40) calendar days after the issue date of such further Materialised Notes.

In the case of Materialised Notes with an initial maturity of more than thirty sixty-five (365) days (and that are not relying on the C Rules), the Temporary Global Certificate shall bear the following legend:

ANY UNITED STATES PERSON (AS DEFINED IN THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES FEDERAL INCOME TAX LAWS INCLUDING THE LIMITATION PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

DESCRIPTION OF THE ISSUER

1. Entities responsible for the information in the Offering Circular

Issuer

The Issuer is the Seine-et-Marne Department, a local authority.

Person responsible

Jean-François PARIGI
President of the Departmental Council of Seine-et-Marne
Phone: +33 (0)1 64 14 70 00
jean-françois.parigi@departement77.fr

2. General information about the Seine-et-Marne Department

2.1 Institutional and political organisation

2.1.1 Head office

The Issuer is the Seine-et-Marne Department, a local authority.

Its head office is located at Hôtel du Department, 12 Rue des Saints Pères, 77000 Melun, France.

Its phone number is +33 (0)1 64 14 77 77.

2.1.2 Geographical location

The Seine-et-Marne Department forms part of the Ile-de-France region. Located to the east of Paris, and covering 5,915 km², it represents **49%** of the total surface area of Ile-de-France, making it the largest department in Ile-de-France. It has borders with 10 other departments (Val-d'Oise, Seine-Saint-Denis, Val-de-Marne and Essonne to the west, Loiret and Yonne to the south, Aube and Marne to the east and Aisne and Oise to the north).

The Seine-et-Marne Department has 23 cantons and 507 communes. On 1 January 2020, the Seine-et-Marne Department had 23 inter-authorities with taxation powers (9 groupings of conurbations and 14 groupings of communes), 2 of which have their headquarters outside the Department. Melun is the administrative centre of the Department.

Diversity plays a role in the Seine-et-Marne Department, with a city ring road to the west and rural land to the east.


Oise
Compiégne
Aisne
Val d'Oise
Reims
Meaux
Paris
Seine St Denis
Chelles
Marne la Vallée
TGV
PARIS
Paris
Val de Marne
Marne
Châlons en Champagne
N 4
Paris
Sénart
Evry
Melun
Provins
D 619
Essonne
Troyes
Aube
Fontainebleau
Sens
Orléans
Yonne
N
0 5 10 km
Loret
Montargis
Auxerre

2.1.3 Legal form, organisation, and powers

a) Legal form

The Seine-et-Marne Department is one of the Republic's local authorities (with the communes, regions, communities with special status and overseas communities) under articles 34 and 72 of the French Constitution of 4 October 1958, modified.

Created by the Acts of 22 December 1789 and 26 February 1790, the Seine-et-Marne Department was organised into a local authority by the Act of 10 August 1871.

Local authorities are legal entities under public law that are distinct from the State and have a certain legal autonomy. They have their own resources and powers that are exercised in the framework of the law.

They are governed by constitutional, legislative, and regulatory provisions.

Since the decentralisation act of 2 March 1982, the State's financial and administrative supervision via the Prefect was rescinded and the President of the General Council becomes the Department's executive. The Prefect is still the holder of State authority in the Department.

Today, after Mayotte was transformed into an overseas department on 31 March 2011, there are 101 departments (96 in continental France and five overseas).

The Seine-et-Marne Department took its name on 4 March 1790 from the names of the two rivers that flow through it. On 28 May 1790, Melun was chosen as the Department seat because of its location on the Seine.

b) Organisation and operations

The organisation and operations of Seine-et-Marne Department is based on political organs and administrative organs.

The legal framework determining the organisation is laid down by the Constitution of the Fifth Republic (Section XII) and the CGCT. The by-laws of the Departmental Council and of the permanent commission set forth these rules and specify the operations of the Department's organs.

- **Political organisation**

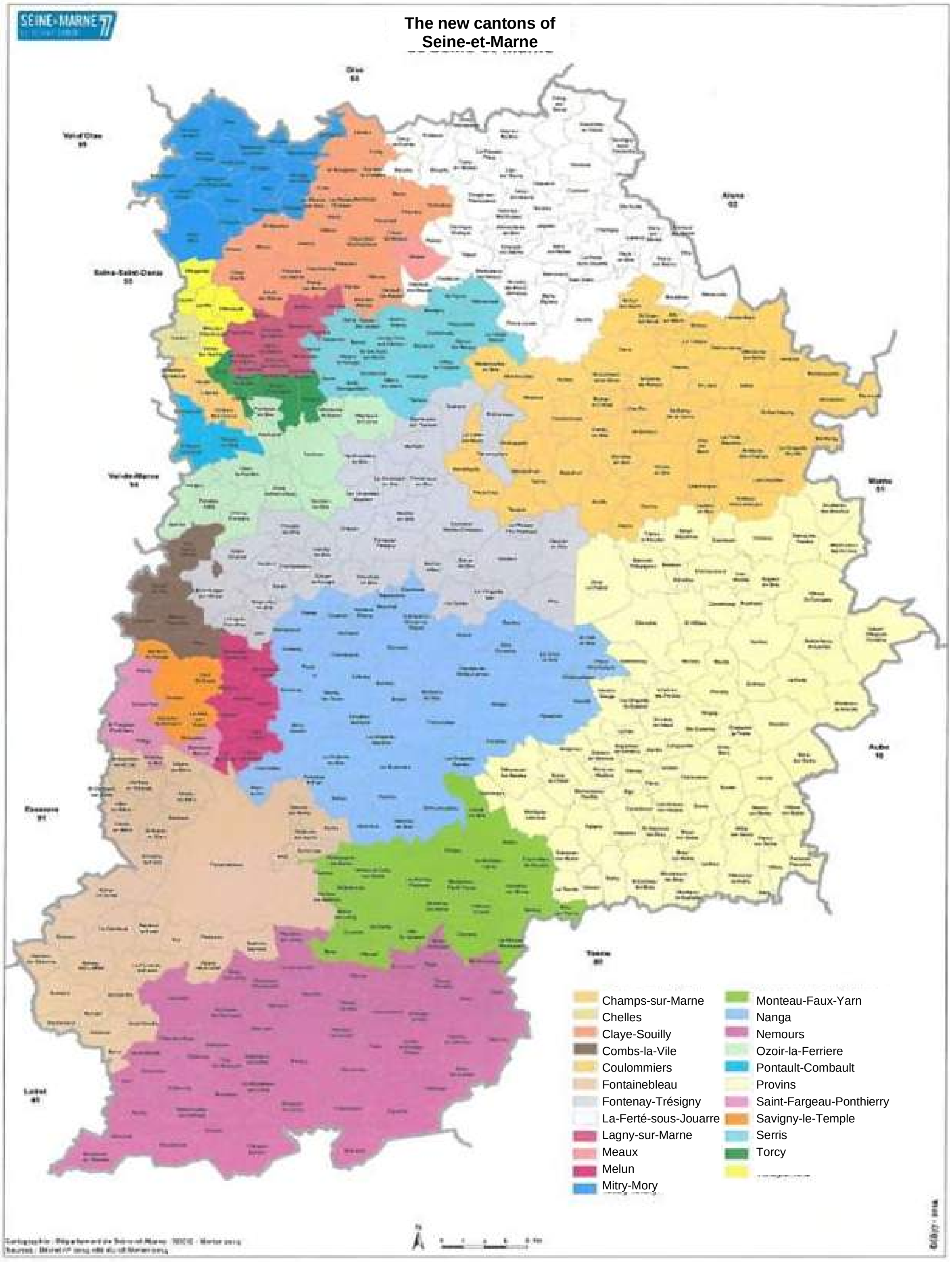
The Seine-et-Marne Department's political and institutional foundations are its deliberative bodies (the Departmental Council and the permanent commission) and the executive entities (the President of the Departmental Council and the Bureau).

(i) The deliberative bodies: The Departmental Council and the Permanent Commission

❖ **Departmental Council**

Under organic law 2013-402 of 17 May 2013 and Act 2013-403 of 17 May 2013, as from the renewal of the Departmental Assemblies in March 2015, the former General Councillors are replaced by departmental councillors. Departmental councillors are elected by direct universal suffrage in the scope of new cantons entirely every six years. Each pair of winners represents a canton and must consist of one woman and one man. Once elected, the pair of winners will exercise their powers independently of each other.

The delineation of new cantons of the Seine-et-Marne Department was conducted by Decree No. 2014-186 dated 18 February 2014. This decree corrects demographic inequalities between cantons to ensure the principle of population balance. Under this decree, the Seine-et-Marne Department includes now 23 cantons. 46 departmental councillors have therefore been elected during the departmental elections held on 22 and 29 March 2015.



The Departmental Council of Seine-et-Marne comprises 46 departmental councillors that meet in plenary Assembly (public session at least once per quarter) in order to examine, under the President's authority, the major future issues facing the Department.

The Departmental Council is the Department's common-law authority. Its powers cover all the Department's prerogatives that have not been expressly entrusted to other authorities (chiefly its President). There are some powers that the Departmental Council cannot delegate to other formations or authorities. For example, it is the only entity that can adopt the budget and vote taxation rates and taxes authorised by law to the Department's benefit.

The Departmental Council can delegate some of its powers to its President or to the permanent commission.

The following members constitute the Departmental Council:

President	**Jean-François PARIGI**
1st Vice President responsible for planning, roads, contractual policies, and agriculture	**Olivier LAVENKA**
2nd Vice President responsible for finance, human resources and public procurement	**Daisy LUCZAK**
3rd Vice President responsible for transports and mobilities	**Brice RABASTE**
4th Vice President responsible for childhood, and medical care	**Anne GBIORCZYK**
5th Vice President responsible for solidarity	**Bernard COZIC**
6th Vice President responsible for youth, educational success and pedagogical innovation	**Sarah LACROIX**
7th Vice President responsible for secondary schools	**Xavier VANDERBISE**
8th Vice President responsible for environment	**Béatrice RUCHETON**
9th Vice President responsible for housing, accommodation, urban renewal, and urban policy	**Denis JULLEMIER**
10th Vice President responsible for culture and heritage	**Véronique VEAU**
11th Vice President responsible for safety of departmental buildings	**Christian ROBACHE**
12th Vice President responsible for higher education and professional training	**Nathalie BEAULNES-SERENI,**
13th Vice President responsible for sports	**Bouchra FENZAR-RIZKI**

Delegated councillors (5):

Jean-Marc CHANUSSOT	*Questeur* [parliamentarian serving as paymaster] and Delegate, responsible for water and sanitation.
Olivier MORIN	Delegate responsible for territorial attractiveness, tourism and development.
Nolwenn LE BOUTER,	Delegate responsible for the Olympic Games
Sandrine SOSINSKI	Delegate responsible for European affairs and international relations
Emma ABREU	Delegate responsible for cultural heritage

Departmental Councillors (27):

- **Mr Éric BAREILLE**
- **Mrs Majdoline BOURGEAIS – EL ABIDI**
- **Mr Thierry CERRI**
- **Mrs Sophie DELOISY**
- **Mr Smaïl DJEBARA**
- **Mr Yann DUBOSC**
- **Mr Vincent ÉBLÉ**
- **Mrs Isoline GARREAU**
- **Mr Laurent GAUTIER**
- **Mme Julie GOBERT**
- **Mr Pascal GOUHOURY**
- **Mr Anthony GRATACOS**
- **Mr Michel JOZON**

- **Mr Jean LAVIOLETTE**
- **Mrs Marianne MARGATÉ**
- **Mrs Cindy MOUSSI-LE-GUILLOU**
- **Mrs Mireille MUNCH**
- **Mrs Céline NETTHAVONGS**
- **Mrs Véronique PASQUIER**
- **Mr Vincent PAUL-PETIT**
- **Mr Ugo PEZZETTA**
- **Mrs Marie-Line PICHERY**
- **Mr Patrick SEPTIERS**
- **Mrs Sara SHORT-FERJULE**
- **Mr Jean-Louis THIERIOT**
- **Mrs Virginie THOBOR**
- **Mrs Claudine THOMAS**

To assess the business submitted to it and prepare the decisions and opinions incumbent upon it, the Departmental Council is divided into permanent technical and finance commissions or specialised commissions with a specific purpose for a definite or indefinite term.

The sectorial commissions (the composition of which is in proportion to the number of officials of each political group):

- **1st commission**: Land planning, tourism, roads, contractual policies, and agriculture
- **2nd commission**: Education and culture
- **3rd commission**: Youth and sports
- **4th commission**: Solidarity
- **5th commission**: Environment
- **6th commission**: Roads, transport, and mobility
- **7th commission**: Finance, human resources and general administration
- **8th commission**: Internal regulations

❖ **The Permanent Commission**

Created by the Act of 6 February 1992 on the territorial administration of the Republic, the permanent commission is an internal deliberative structure of the Departmental Council. The council sets the number of Vice presidents and other members of the permanent commission.

For the Seine-et-Marne Department, this permanent commission seats 46 members, that is, members of the Bureau and of all the other departmental Councillors. By its deliberations, it settles the business relating to the powers delegated to it. The Departmental Council may delegate part of its powers to the permanent commission, except those concerning the budget, modifying decisions, vote of the administrative account and mandatory expenses.

During its meeting of 1 July 2021, the Departmental Council (decision no. CD-2021/07/01-0/04) delegated a portion of its authorities to the Permanent Commission. The Permanent Commission has no authority when it comes to debt or cash management.

(ii) Executive entities: the President of the Departmental Council and the Bureau

❖ **The President of the Departmental Council**

By virtue of the deliberation of the Departmental Council No. CD-2021/07/01-0/01 of 1st July 2021, Jean-François PARIGI was elected President of the Departmental Council of Seine-et-Marne and in this capacity is the executive head of the Department (article L.3221-1 of the CGCT) and head of departmental services (article L.3221-3 of the CGCT).

The President leads the Assembly's works, prepares the decisions, and supervises their execution. For this, he relies on the Departmental services and is assisted by the Bureau and the permanent commission.

The President has specific powers and powers delegated by the Departmental Council.

Main enumerated powers	- he prepares and executes the Council's deliberations. He calls the Departmental Council meetings and sets the session agenda and presides over the session. He reports to the Council each year on the Seine-et-Marne Department's situation; - he is the party organising the expenditure of the Department and prescribes the execution of revenues for the Seine-et-Marne Department; - he is the sole responsible for the administration and is the chief of the Seine-et-Marne Department's services; - he administers the Seine-et-Marne Department's domain. Therefore, he has special police powers; - he signs contracts and agreements in the Seine-et-Marne Department's name by virtue of his specific power to execute deliberations; - as the State's interlocutor in the Seine-et-Marne Department, especially with the Prefect, he shares coordination with the Prefect between the actions of the Seine-et-Marne Departmental services and those of the State services in the Department. If need be, he can use the State's de-concentrated services to prepare and execute the Seine-et-Marne Departmental Council's deliberations; and - he exercises, in matters of social action, the powers devolving upon him by the French *Code de l'action sociale et des familles.*
Main delegated powers	He must report to the Departmental Council on the powers that the Departmental Council confers upon him, mainly: - in financial matters: to procure and manage borrowings and obtaining overdraft facilities, updating, and implementing EMTN programmes and short or medium-term credit securities up to an amount authorised by the Departmental Council, - investing funds; and - to make any decisions concerning the preparation, signing, performance or payment of contracts and framework agreements (including the awarding to prime contractors of public contracts) as well as decision with regards to their addendum.

❖ **The Bureau**

In addition to the President, the Bureau includes all Vice-Presidents of the Seine-et-Marne Department. It lays down the broad outlines of departmental policy and organises, under the President's authority, the Departmental Council's work.

(iii) Administrative bodies: Departmental services

❖ **Departmental administration**

The Departmental administration implements the policy defined by the Departmental Assembly.

Placed under the responsibility of the General Department of Services, the Departmental services are organised around four hubs:

General Department Assistant for solidarity;

General Department Assistant for the environment, travel, and land development;

General Department Assistant for Education, Appeal, and departmental strategies; and

General Department Assistant for administration and resources.

The General Services Department, to which certain services are directly attached (in particular the Finance Department), coordinates all of these activities.

As of 31 December 2021, the Seine-et-Marne Department staff included 4,225 civil servants. 81.5% are permanent staff members or trainees. In addition, 434 contract workers held permanent positions.

The Department also employs 459 foster families.

Among all sectors of the Department, the breakdown between men and women is 68% women and 32% men.

Regarding non-permanent jobs, as of 31 December 2021 the Department hired:

- Temporary workers: 43

- Seasonal workers: 17

- Workers under occupational integration contracts: 241

- Apprentices: 61

During the various deliberative assemblies of 2021, 19 permanent posts and 1 non-permanent post were created:

- A permanent full-time post of territorial editor in the Water, Environment and Agriculture Department, in the context of a secondment to the *Société Publique Locale* [Local Public Company].

- A non-permanent post (project contract) to carry out the missions of information systems project manager for human resources information systems within the Human Resources Department.

- Two permanent full-time engineering posts, within the framework of the reinforcement of the computer equipment pool of secondary schools, taking into account the implementation of the school support platform within the Information Systems and Digital Department.

- A full-time permanent position of engineer, within the framework of the project to take over the emergency shelters within the Information Systems and Digital Department.

- One position of *attaché* or engineer to carry out the tasks of Europe project manager within the General Services Department.

- One position of technician or territorial engineer to carry out the missions of monitoring and follow-up of the services of the Project Management Assistant (PMA) within the framework of the project to take over the emergency shelters within the Architecture, Buildings and Secondary schools Department of the Deputy General Directorate of the Environment, Transport and Town and Country Planning.

- One position of *attaché* to carry out the missions of diagnosis and change management initiatives, within the framework of the project of taking over the emergency shelters within the Human Resources Department of the Deputy General Directorate of Administration and Resources.

- One non-full-time position of territorial administrative assistant, equivalent to a weekly service time of 40%, within the framework of the new organisation of the office.

- Six full-time positions for territorial doctors, within the framework of the reorganisation of the Department of Maternal and Child Protection and Health Prevention (DPMIPS).

- One full-time position for a local nursery nurse, within the framework of the reorganisation of the DPMIPS.

- Three full-time positions of territorial editors, within the framework of the reorganisation of the DPMIPS and the General Solidarity Directorate (DGAS).

- One permanent full-time position of territorial *attaché* or engineer to strengthen the management of the departmental engineering group ID 77, an associated body.

SEINE&MARNE 77
LE DÉPARTEMENT
SEINE-ET-MARNE.FR

Departmental Services Diagram

CHAIRMAN
JEAN-FRANÇOIS PARIGI

PRESIDENT'S OFFICE
CHIEF OF STAFF
JÉRÔME MÉRY
-
DEPUTY CHIEF OF STAFF
AURÉLIE GRAFFAGNINO
-
DEPUTY CHIEF OF STAFF
NICOLAS CUADRADO
-
DIRECTOR OF COMMUNICATION
MARIE CAMIÈRE

DIRECTOR GENERAL OF SERVICES
CHRISTOPHE DENIOT

SECRETARY GENERAL
SIMON BACIK

MANAGEMENT CONTROL, AUDIT AND EVALUATION OF PUBLIC POLICIES AND EUROPEAN MISSION
JÉRÔME MIGLIANICO

FINANCE
ÉMILIE GANNÉ

GENERAL SECRETARIAT AT MEETINGS
SOPHIE PIEDELOUP

SOLIDARITY (DGAS)
DEPUTY GENERAL DIRECTOR
JEAN-LUC LODS
SECRETARY GENERAL
SUNDAR RAMANADANE

AUTONOMY
JEAN-YVES COUDRAY

MOTHER AND CHILD PROTECTION AND PROMOTION OF HEALTH
NC

CHILD AND FAMILY PROTECTION
CAROLE VITALI

INTEGRATION, HOUSING AND SOCIAL COHESION
SONIA DERDIRI

14 TERRITORIAL DEPARTMENT OF SOLIDARITIES

CHELLES
SOPHIE LEVÊQUE
-
FONTAINEBLEAU
GWENAËLLE ODY
-
MEAUX
MARIA PIETRI
-
MITRY-MORY
MONIQUE REGENT
-
NEMOURS
AGNÈS DOMINIAK
-
PROVINS
CATHERINE BOOGAERTS
-
SÉNART
CHRISTINE LAROCHE

COULOMMIERS
EMMANUEL MONNET
-
LAGNY-SUR-MARNE
EMMANUELLE PETIT
-
MELUN VAL DE SEINE
MARIE-LAURE DURANTE-LECONTE
-
MONTEREAU-FAULT-YONNE
FLORENCE LEMOINE
-
NOISIEL
MONIQUE AUBINEAU - HERNANDEZ
-
ROISSY-EN-BRIE
MARIE-ANNE DOMBEK
-
TOURNAN-EN-BRIE
NADÈGE CARRIAL

EDUCATION, ATTRACTIVENESS AND DEPARTMENTAL STRATEGIES (DGAE)
DEPUTY GENERAL DIRECTOR
MARC BORIOSI
SECRETARY GENERAL
ÉMILIE MOREIRA

DEPARTMENTAL ARCHIVES
JOSEPH SCHMAICH

CULTURAL AFFAIRS
HERVÉ BISEUIL

SPORT AND YOUTH
DENIS BRISSON

EDUCATION
ISABELLE COUSSIEU

5 DEPARTMENTAL MUSEUMS AND 1 HERITAGE SITE

PREHISTOIRE D'ÎLE-DE-FRANCE MUSEUM
ANNE-SOPHIE LECLERC
-
SEINE-ET-MARNE MUSEUM
EVELYNE BARON
-
STEPHANE MALLARME MUSEUM
HERVE BOESCH
-
JARDIN BOURDELLE MUSEUM
HERVE BOESCH
-
PEINTRES DE BARBIZON MUSEUM
HERVE BOESCH
-
CASTLE AND FARM OF BLANDY-LES-TOURS
ROSELINE SCHMAUCH

ENVIRONMENT, TRANSPORT AND LAND USE PLANNING (DGAA)
DEPUTY GENERAL DIRECTOR
FRÉDÉRIC ALPHAND
SECRETARY GENERAL
PATRICE PLUQUET

ARCHITECTURE, BUILDINGS AND COLLEGES
BENOIT ALCAIN

TRANSPORT
PASCALE SOLIGNAC

TERRITORIAL PLANNING AND DEVELOPMENT
FRÉDÉRIQUE GABLIER-DAUTRY

ROADS
JEAN-SÉBASTIEN SOUDRE

WATER, ENVIRONMENT AND AGRICULTURE
JACQUES PLACE

ADMINISTRATION AND RESOURCES (DCAR)
DEPUTY GENERAL DIRECTOR
LAURÈNE VOILLEQUIN
SECRETARY GENERAL
JULIE VAL-BEAUBOIS

INFORMATION SYSTEMS AND DIGITAL
CHRISTINE BERTRAND

HUMAN RESOURCES
CÉLINE CIONI

PUBLIC PROCUREMENT
FABIAN HALBOUT

LEGAL AND PROPERTY AFFAIRS
LESLIE LAVIOLETTE

GENERAL RESOURCES AND SECURITY
FRANCK MAILLET

ADMINISTRATION AND RESOURCES (DCAR)
DEPUTY GENERAL DIRECTOR
LAURÈNE VOILLEQUIN
SECRETARY GENERAL
JULIE VAL-BEAUBOIS

Associated Agency

DEPARTMENTAL HOUSE FOR HANDICAPPED OF SEINE-ET-MARNE
ARMELLE ROUSSELOT
-
INITIATIVES 77
BRUNO SALOU
-
HABITAT 77
PAUL GIBERT

DEPARTMENTAL HOME OF CHILDNESS OF MEAUX
MARION LE TEXIER
-
SOCIAL CHILDREN'S HOME OF LUZANCY
MARION LE TEXIER
-
HOME OF CHILDENESS ALIZE
VALERIE BRILLARD

SEINE-ET-MARNE ATTRACTIVITY
SYLVIA LAHUNA
-
ACT'ART
DOMINIQUE JEZEQUEL
-
DEPARTMENTAL ENGINEERING (ID77)
SYLVIE ROGNON

PLANNING 77
FRANCOIS CORRE
-
SEINE-ET-MARNE ENVIRONMENT
CHRISTOPHE PARISOT
-
AQUI'BRIE
LAURENCE DURANCE

ARCHITECTURE, URBAN DEVELOPMENT AND ENVIRONEMENT COUNCIL
GREGORIE DUTERTRE
-
SEINE-ET-MARNE NUMERIC
DOMINIQUE LEROY
-
DEPARTMENTAL FIRE AND EMERGENCY SERVICE
BRUNO MAESTRACCI, GENERAL CONTROLLER

- **State audits of local authorities**

State audits of local authorities via the Prefect, meet a constitutional requirement: "*In the local authorities of the Republic, the State representative […] is in charge of national interests, administrative control and compliance with laws*" (article 72, last paragraph of the French Constitution of 4 October 1958, as amended).

Before 1982, State oversight of the communities allowed the representative of the State to intervene upstream of the entry into effect of community acts and to have the power to cancel (including for reasons of opportunity), approve or substitute them.

With the suppression of oversight, new checks were instituted to meet the constitutional requirement mentioned above.

Legality check:

Legality is checked after the fact, *i.e.* once the act is adopted, and authorises no check of opportunity. The Prefect is in charge of making sure the community's acts are legal. They are transmitted to the Prefect under article L.3131-2 of the CGCT. When an act is illegal, the Prefect has two months as from the submission of the act to sue before the administrative court (the administrative court of Melun for the Seine-et-Marne Department), unless it is appealed first or special circumstances arise.

Financial checks:

The Seine-et-Marne Department's budgets are subject both to the legality check and to the audits conducted by the Prefect of Seine-et-Marne, the public accountant (Departmental Paymaster) and the regional chamber of accounts ("**CRC**") of the Ile-de-France Region.

The **Prefect of the Department**, as State representative, checks that the department's budget as adopted follows the real balance rule. He may defer any disputable budgetary documents to the CRC. The CRC issues opinions and the Prefect takes corrective measures accordingly, providing an explicit justification for any deviation from the opinions issued by the CRC. This check is carried out in five cases: (i) when the budget is voted outside the legal time period, (ii) if it lacks the real balance, (iii) compulsory expenditure not listed (in which case the relevant public accountant or any interested party may also refer the matter to the CRC), (iv) no transmission of the administrative account or (v) the deficit of the administrative account beyond the authorised limits.

The **public accountant** (**Departmental Paymaster**) pays expenditure and collects the revenue. This results from the principle of separation of ordering parties and accountants. The public accountant is thus the only one in charge of handling the Department's public funds and collecting the receipt notes issued by the ordering party. He is also obliged to exercise a check of the external legality of each payment order and of the receipt Notes issued by the ordering party.

The public accountant, named by the Minister of Finances, is financially and personally responsible for the operations in his charge (article 17 of decree 2012-1246 of 7 November 2012). The public accountant's role is thus a guarantee of the regularity of the Departmental institution's accounting operations.

At the same time as the administrative account drawn up by the President of the Departmental Council, the public accountant establishes a management account that logs all the accounting items passed by the Department. Each year, the Departmental Council is called upon to check the concordance of the items and results, between those from the accounts as held by the ordering party (the President of the Departmental Council) and those of the public accountant (the Departmental Paymaster).

The Seine-et-Marne Department is moreover subject to a periodical management examination by the CRC. Instituted by the Act of 2 March 1982, the CRCs oversee the compliance of local budgets with laws and regulations. In the framework of their audit operations, the CRCs examine the management of the communities after the fact: They make observations on the regularity and quality of management of the ordering parties. These audits also concern the financial situation (risk analysis) of the community and one or more of the community's major functions. After an adversarial process, the CRC adopts a report of final observations that is sent with the ordering party's answers to the deliberative assembly (article L.243-5 of the *Code des juridictions financières*). This examination concerns the entire period elapsed since the previous check.

The latest report of the Ile-de-France CRC dates from 8 April 2011 and concerns 2006 and the following years.
It can be consulted at: https://www.ccomptes.fr/fr/publications/departement-seine-et-marne-seine

C) Capacities

▪ A scope of powers established by law

The Seine-et-Marne Department has powers attributed to it by law. These powers may be specific or shared with other territorial communities. Article L.3211-1 of the CGCT says "The Departmental Council, by its deliberations, settles the Department's affairs in the fields of powers that the law attributes to it. It has power to implement any assistance or action pertaining to the prevention or takeover of situations of fragility, social development, the hosting of young children and the independence of persons. It also has power to facilitate the access to the rights and services of the public of which it is responsible. It has power to promote solidarities and the territorial cohesion on the Departmental territory, in accordance with the integrity, the autonomy and the attributions of the regions and the communes." Also, article L.1111-4, fourth paragraph of the CGCT poses the following principle according to which "the communes, the departments and the regions finance as a priority those projects pertaining to the fields of competence devolved upon them by law…"

Law No. 2014-58 of 27 January 2014 for the "Modernisation of Public Territorial Action and Affirmation of Metropolitan Areas (MAPTAM)" designates the Seine-et-Marne Department as "leader" in matters of social assistance, independence of persons and solidarity of territories.

The NOTRe law established the principle of specialisation of departments and regions (with the repeal of the general clause of competence for these two levels) and led to a clarification of the capacities of the Department of Seine-et-Marne. The Department nevertheless maintains its usual responsibilities, such as social action, management of social assistance, departmental road management, construction, and secondary school maintenance.

▪ Departmental policies

The main missions and actions of the Seine-et-Marne Department pertain to:

Sanitary and social action:

The solidarity mission conducted by the Department of Seine-et-Marne is the first item of operating expenses (58% of the allotted funds in 2020, up 2.6% compared to 2019), reflecting the intention to consolidate the Department's work in this area, which is at the core of its mission. These actions result in the policies appearing in the following table:

	Main powers
Childhood	- monitoring of pregnant women and young mothers; - approval, monitoring and training of mothers' assistants; - authorisation to open and tracking of infant hosting structures; - prevention of risk of danger, protection of children in danger; - departmental establishments of Child care; - approval of candidates for adoption and follow-up on adopted children; - child abuse prevention; and - care of unaccompanied minors.
Family	- upbringing assistance with home visits by family workers, youth workers, social assistants, etc.; and - financial assistance (emergency help and monthly allowances).
Seniors and Handicapped Adults	- handicapped Adult: "Disability compensation benefits" ("PCH"), home assistance and lodging assistance in institutions or host family and approval of these lodging modes and approval of these types of accommodation; and - seniors: help support for assumption of "autonomy loss" ("Personalised Allocation of Autonomy" or "APA"), home assistance (house work, remote alarms, etc.), approval of host families and assistance for renovation of institutions.
Health Prevention	- kindergarten health check-ups; and - free vaccinations (schools, town halls, etc.).

Integration	- payment of the "Active solidarity income" ("RSA"), professional and social insertion of RSA beneficiaries, young people, and people with particular social difficulties.

Source: *Seine-et-Marne Department*

Education, sports, culture, and heritage

The law endows the Seine-et-Marne Department with jurisdiction in the socio-educational, cultural and sports development field. This expenditure, grouped within a "socio-educational, cultural and sports development" mission, account for nearly 4.5 % of operating expenses in 2020.

Building and maintaining public secondary schools is a major capacity for the Department, due to the size of its youthful population. The Department of Seine-et-Marne has 128 public secondary schools which it owns. Expenses in this area amount to €35.9M in operating payment appropriations and €78.8M in equipment expenses in 2020 (31.7% of equipment expenses).

The cultural competence is clearly defined by the terms of the NOTRe act. According to these provisions, it is a competence shared amongst the communes, the departments, the regions, and the communities on this particular status, as well as the powers in matters of sports, tourism, promotion of regional languages and popular education (article 103 of the NOTRe act and Article L.1111-4 of the CGCT).

	Main powers
Education	- secondary schools: construction, renovation, maintenance, extension and equipment, assistance by the territorial technical officers of educational institutions (ATTEE), mass catering, educational assistance; and - Information Technology and Communication for Education ("TICE"): set up of digital workspace (Espace Numérique de Travail) and broadband internet connection for secondary schools.
Sports	- assistance for creation and renovation of sports facilities; - participation to functioning of sports complexes used by secondary schools; - subsidies to associations; and - organisation of events.
Heritage and culture	- departmental museums; - assistance in restoration enhancement of the historical heritage of Seine-et-Marne and museums in Seine-et-Marne; and - departmental Archives: collection, protection, and enhancement of the collections of local archives.

Source: *Seine-et-Marne Department*

Equipment, environment, and territorial development:

Under the powers attributed by law to the Seine-et-Marne Department, the "Equipment and development of the territory" mission that groups together the policies related to territorial development, environmental protection, departmental roads, safety and transport, account in 2020, for 16.7% of the operating funds and 52.6% of equipment expenses. The departmental road network is more than 4.300 kilometers.

	Main powers
Equipment	- roads: the Departmental Council owns and is responsible for departmental roads (including former national roads transferred during decentralisation).
Environment	- sensitive natural spaces; - technical assistance to communities in matters of water and sewage; - wastewater treatment, maintaining and development of rivers; and - agenda Plan 21.

Territorial development and agriculture	- support for agriculture, trades, and commerce; - rural equipment; promotion of the Department of Seine-et-Marne; - the Development Agency; - assistance to health professionals; and territorial solidarity.
Transport	- school transport for disabled pupils and students and transport on special circuits (by delegation of Ile-de-France Mobilités, formerly "Ile-de-France Transport Association (STIF)"); - development of transport taking into account the needs of disabled people; - development of departmental bus lines or bus demand for elderly and disabled people; and - the NOTRe act has no effect on this field for the Seine-et-Marne Department. In the Ile-de-France region, the Ile-de-France Mobilités was already competent in the matter and the Seine-et-Marne Department acts in the field of transport on delegation.

Source: *The Seine-et-Marne Department*

2.2 Solvency of the Seine-et-Marne Department

2.2.1 Loan legal framework lets local authorities reduce the risks of insolvency

Article 2 of the Act of 2 March 1982 on the rights and freedoms of towns (*communes*), departments and regions rescinded any State oversight of the acts of local authorities. This change led to the recognition of full freedom of local authorities to fully assess financing, and to liberalise and generalise the rules applicable to their loans. Now, local authorities can borrow freely and their relations with lenders are generally governed by private law and contractual freedom.

However, this freedom is structured by the following principles:

The loans go exclusively to finance investments; and

The debt's capital must be reimbursed by the community's own resources.

Furthermore, the interests on the debt and the reimbursement of the capital are by law (article L.3321-1 of the CGCT) mandatory expenditure for the community. These expenses must therefore be written into the community's budget. Otherwise, the law provides for a procedure (article L.1612-15 of the CGCT) by which the Prefect, after receiving the opinion of the CRC, writes the expenditure into the community's budget and, lacking this mandatory expense mandate, the law also provides a procedure (article L.1612-16 of the CGCT) allowing the Prefect to proceed on his own.

The mandatory character of the debt reimbursement is thus a strong legal protection for the lenders.

Moreover, article L.1611-3-1 of the CGCT, established in act 2013-672 of 26 July 2013, places certain restrictions on loans that the departments obtain from lending institutions other than bonds with regard to the currency, interest rate and hedging instruments permitted for those loans.

Lastly, the use of loans and financial instruments (derivative products such as swaps, caps, tunnels, etc.) is structured by inter-ministerial circular NOR/IOCB1015077C of 25 June 2010 relative to the financial products offered to local authorities and to their public institutions. This circular specifies the risks inherent in debt management by local authorities and recalls the state of the law on recourse to financial products and financial risk hedging instruments. Recourse to financial instruments is authorised only in an exchange rate risk hedging logic and operations of a speculative nature are strictly proscribed.

The Departmental Council delegates each year to the President the power to make loans and renegotiate them within a specific framework limited to the annual funding requirement.

2.2.2 Rating of the Seine-et-Marne Department

The Seine-et-Marne Department's long-term debt is rated by Standard & Poor's. The rating for this programme may be verified at the following website:

https://www.standardandpoors.com/en_US/web/guest/ratings/details/-/instrumentdetails/debtType/COMMPAPER/entityId/119893

2.3 Demographic and economic environment of the Seine-et-Marne Department

2.3.1 Demography of the Seine-et-Marne Department

With a municipal population of 1,412,516 inhabitants, the Seine-et-Marne Department is the tenth most populous department in France, and the fifth most populous department in Ile-de-France (11.6% of the Ile-de-France population), just behind the Yvelines and before Val de Marne, Essonne and Val-d'Oise, *(source:* INSEE RP 2018). In relation to the 5,915 km² Departmental area, the average population density is 239 inhabitants/km²; a density more than four times lower than that of the Ile-de-France region (1,017 inhabitants/km²), and significantly lower than the density in Paris (20,641 inhabitants/km²).

However, the population of Seine-et-Marne is rather heterogeneous at the scale of the departmental territory, due to the "metropolitan" population to the west and a historic population along the two rivers structuring the department: the Marne to the north and the Seine to the south. Of the 507 communes in the Department, 344,542 inhabitants are distributed among the 10 most populous, i.e. a concentration of nearly 25% of the Department's population. Three-quarters of the rest of the departmental population is distributed among the remaining 497 municipalities.

<u>High population growth</u>

With an average annual increase of 0.7% in the population between 2013 and 2018, the demographic growth of Seine-et-Marne is higher than that of the Ile-de-France (0.4%) or Metropolitan France (0.4%). Seine-et-Marne is the department which gained the most inhabitants after Seine-Saint-Denis *(source: INSEE - RP 2013 and 2018).* The number of inhabitants in the Department of Seine-et-Marne increased by almost 9% (i.e. 108,814 additional inhabitants over the 2008-2018 period) and by 3.5% (i.e. 47,316 additional inhabitants) over the 2013-2018 period. This population increase is the result of natural growth (the difference between the number of births and deaths) which offsets a negative net migration (the difference between the number of people moving into and leaving the area). Over the 2013-2018 period, the Seine-et-Marne recorded population growth of +0.68% due to the natural balance, whereas the population due to a net migration decreased by 0.06%.

<u>A young population</u>

The Department stands out for the youthfulness of its population: more than one in four inhabitants of Seine-et-Marne is under 20 years old, i.e. 27.5% of its population. Seine-et-Marne is the third youngest Department in Metropolitan France after Seine-Saint-Denis and Val d'Oise.

There are fewer elderly (75 years or more) inhabitants in the territory, with 6.5% of people from Seine-et-Marne falling into this age group, compared to 6.9% for Ile de France and 9.6% for metropolitan France.

Both at national level and departmental level, the trend is toward progressive ageing of the population. Increased life expectancy and ageing of the baby boom generations (births between 1946 and 1973) that represent a large share of the population have led to an ageing population overall.

INSEE projections indicate that the Seine-et-Marne population will grow significantly, and should reach about 1.66 million inhabitants in 2050, that is equivalent to a rate of about 0.47% growth per annum. This rate is significantly higher than the 0.26% average for Île-de-France (*source: INSEE – OMPHALE demographic projection*).

Population largely composed of employees and intermediate professions

By socio-professional categories, the working population of Seine-et-Marne is distributed as follows:

	2013	%	2018	%
Overall	**689,267**	**100.0%**	**697,818**	**100.0%**
of which				
Farm executives	2,587	0.4%	2,335	0.3%
Tradesmen, merchants, heads of companies	33,237	4.8%	34,903	5.0%
Managers and higher intellectual professions	109,673	15.9%	115,087	16.5%
Intermediate professions	192,811	28.0%	197,580	28.3%
Employees	211,490	30.7%	212,300	30.4%
Workers	131,728	19.1%	126,245	18.1%

Sources: Insee, RP2013 and RP2018.

Among the active population (697,844 people) in 2018, employees (30.4%) and intermediate professions (28.3%) make up the majority among the working population in Seine-et-Marne. They are followed by workers (18.1%) and managers (16.5%).

The over-representation of workers in the Seine-et-Marne Department compared with the Ile-de-France region (13.4%) is related to the specific industrial features of Seine-et-Marne.

The population distribution by socio-professional category has been highly stable between 2013 and 2018. The greatest variation was noted in the category of workers, i.e. -1 point.

Families with children

Compared with those of Ile-de-France, Seine-et-Marne households are characterised by a high proportion of families. In 2018, 45.3% of 559,733 Seine-et-Marne households were families with children (one or two parents) versus 39.4% of Ile-de-France households.

The share of single-parent families amongst all families with children (17.5%) was lower, however, than at the regional level (19.1%). It nevertheless experienced a slight rise of 2.2 percentage points between 2013 (15.3%) and 2018 (17.5%) in Seine-et-Marne, compared with 1.5 points in Ile-de-France.

A rather high-income level

In 2018, the median available income was equal to €23,470, which placed Seine-et-Marne in sixth place among other departments, well above the national level (€21,730). It should be noted, however, that there are some large disparities in income between the different components of Seine-et-Marne's territory. The highest levels of income are mainly in the West.

In 2018, 61.8% of the Seine-et-Marne population were owners of their main place of residence, a level significantly higher than the national (57.6%) and regional (47.0%) averages.

A level of training in progress

In 2018, 79.8% of Seine-et-Marne out-of-school inhabitants aged 15 or more had graduated. This rate is above the French average (78.5%) but remains slightly below the regional rate, i.e. 81.3%. It should be noted that this figure is still the highest among all the French regions.

A sharp increase in the number of beneficiaries of RSA but poverty rates remain low

With the health and economic crisis, the Department of Seine-et-Marne recorded an increase in the number of RSA beneficiaries (all types of RSA combined) of +12.5% in December 2020, relative to December 2019, bringing the number of beneficiaries to 33,475 (+3,710 additional beneficiaries). Over the same period at national level, the number of beneficiaries increased by +7.4% (47,413 additional beneficiaries), reaching 2,027,842 in December 2020 *(source: data.CAF.fr).*

The poverty rate[4] in the Department of Seine-et-Marne is also much lower than that observed in Ile-de-France and metropolitan France: in 2018, 11.8% of the population lived below this threshold compared with 15.6% in Ile-de-France and 14.6% on average in France *(source: INSEE, social and fiscal localised file).*

2.3.2 Economy of the Seine-et-Marne Department

a) Gross Domestic Product and sources of added value

A department which benefits from regional dynamism

As a department in the greater Paris area (Ile-de-France), Seine-et-Marne benefits from the attractiveness and the dynamism of the Ile-de-France Region.

In 2018, the region's economy grew by 2.7% (France as a whole: +2.8%). In total, the region's GDP in 2018 amounted to €726 billion, with a per capita GDP of more than €59,387, that is to say, more than 31.3% of France's GDP and 5.4% of the European Union's GDP, ahead of "Greater London" and Lombardy *(sources: "Key figures 2021" of the CCI Paris - Ile-de-France)*.

Major national and multinational corporations of French, European and international scope choose the Ile-de-France region for their head offices and/or their research and developments units.

Dynamism of the Ile-de-France Region combined with the economic dynamics of the Seine-et-Marne Department

By its geographical position, and driven by three major development hubs (the Roissy airport platform, Marne la Vallée with the urban zone of Val d'Europe, Melun Sénart, Fontainebleau), the Seine-et-Marne Department has the following advantages:

- its transport network connected to different levels: Roissy Charles De Gaulle international airport (the largest in France and Europe's second largest for passenger traffic), TGV network with an interconnection station, four regional rail (RER) lines, the regional SNCF network servicing the Seine-et-Marne Department, six superhighways running through the Department, etc.). As part of the "Grand Paris" project, Seine-et-Marne will also benefit;
- its land and real estate (availability, prices, quality of life) favourable to the establishment of companies;
- its "grey matter" resources, including important educational institutions (Institut Européen d'Administration des Affaires, École Nationale Supérieure des Mines de Paris, École des Ponts, etc.), 68 research teams comprising 1,100 researchers working with companies on innovative projects (transformation of the Cité Descartes into a hub of excellence dedicated to creating a sustainable city) and four competitiveness hubs (*Cap Digital Paris Region* specialised in information and communication technologies, *Advancity* specialised in engineering and services, *Astech* specialised in aeronautics and space and *Mov'eo* specialised in transport).

The proximity of large research centres and educational institutions also explain its specialisation in cutting-edge sectors, including Information and Communication Technologies ("ITC"), aerospace and eco-activities. The territory is betting today on sustainable development, eco-mobility, virtual development, and digital content.

b) Company demographics

Small businesses predominate in Seine-et-Marne as in Ile-de-France. Companies with less than 10 employees accounted for 93% of all businesses in the Seine-et-Marne Department at the end of 2018. However, the Seine-et-Marne Department had 19 companies with over 500 employees, including one with over 10,000 employees.

Breakdown of establishments by No. of employees as of 31/12/2017 in Seine-et-Marne and in Ile-de-France:

Number of salaried employees	Seine-et-Marne		Ile-de-France	
	No. of establishments	%	No. of establishments	%
0 employees	75,359	69.5%	1,060,169	74.2%
1 to 9 employees	25,635	23.7%	287,670	20.1%
10 to 19 employees	3,579	3.3%	38,128	2.7%
20 to 49 employees	2,394	2.2%	26,084	1.8%
50 to 199 employees	1,182	1.1%	13,002	0.9%
200 to 499 employees	182	0.2%	2,544	0.2%
500+ employees	56	0.1%	1,206	0.1%
Total	**108,387**	**100.0%**	**1,428,803**	**100.0%**

Source: Register of Enterprises and Establishments – INSEE – 2018

In 2018, 15,509 establishments were created in the Department, bringing the total number of active establishments to 108,387[1], i.e. a creation rate[2] of 14.3% (versus 16.1% at the regional level).

Since 2009, favoured by the new self-employed status, the proportion of establishments without employees has increased from 59% to almost 70% in the Department. Their proportion, while dominant, remains below that observed in Ile-de-France (74%).

The breakdown of the number of establishments by sector of activity in Seine-et-Marne in 2018 was as follows:

	Number	%
Overall	99,933	100
Wholesale and retail trade, transport, accommodation, and restaurants	31,637	31.7
Professional, scientific, and technical activities and administrative and support service activities	17,147	17.2
Construction	14,538	14.5
Public administration, education, health care and social action	11,824	11.8
Other service sectors	8,315	8.3
Manufacturing, mining, and other industries	5,550	5.6
Information and communication	3,949	4
Real property sector	3,562	3.6
Financial and insurance sector	3,411	3.4

Source: Insee, Register of Enterprises and Establishments (Sirene) by geography on 01/01/2020.

c) Main areas of economic activity

In Seine-et-Marne, the distribution of jobs by sector of activity was as follows:

Sectors of activity	**2013**		**2018**	
	Number	***%***	**Number**	***%***
Overall	**451,020**	**100.0%**	**463,215**	***100.0%***
Agriculture	4,824	1.1%	4,405	1.0%
Industry	50,550	11.2%	47,931	10.3%
Construction	33,240	7.4%	33,233	7.2%
Commerce, transport, other services	223,593	49.6%	234,229	50.6%
Public administration, education, health, social action	138,813	30.8%	143,417	31.0%

Sources: Insee, RP2013 and RP2018.

The tertiary sector:

In Seine-et-Marne, the services sector is predominant, representing more than 81% of all salaried jobs in the department at the end of 2018 The main areas of activities are:

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[2] Non-agricultural market sector.

[2] The creation rate corresponds to the number of facilities created as a percentage of the existing total.

- <u>Transport and Logistics</u>

Seine-et-Marne benefits in these areas from a significant available land offer along major roads and major infrastructure (Roissy, Francilienne, A4, A5 and A6).

- <u>Tourism</u>

With 28,064 salaried jobs and 5,669 non-salaried jobs (estimated), in 2019, tourism activities represented 8% of jobs in Seine-et-Marne in 2019. With a diversified clientele (international, national, regional, and departmental clientele), Seine-et-Marne in 2021 has 136 hotels, 14,901 rooms, 47 campsites and 6,554 pitches, about 9% of the Ile-de-France hotel supply and more than 54% of the open-air lodging supply in the region *(source: Detailed tourism figures – INSEE – 2021)*.

In 2018, Seine-et-Marne hotel operators recorded 10,167,000 overnight stays (up +9.1% from 2014), making the Department the second most visited in the Ile-de-France region after Paris *(source: Chronological series on tourism frequency – INSEE – 2010–2018).*

Seine-et-Marne has a variety of cultural and tourist attractions: 19 museums, 640 protected heritage monuments, 130,000 hectares of forest, 1,800 km of waterways, including 330 km of navigable waterways, 3,000 signposted footpaths, the Scandibérique (Eurovéloroute 3 [Eurocycle path]) linking Trondheim (Norway) and Santiago de Compostela, 94 amusement and leisure parks, 4 regional leisure islands, 5 leisure centres and 19 protected natural areas, etc.

In addition to Paris, the Seine-et-Marne is an attractive tourist destination of international renown by virtue of two UNESCO World Heritage sites, the Château de Fontainebleau and the medieval town of Provins, and sites such as the Château de Vaux-le-Vicomte and the Château fort de Blandy-les-Tours *(source: 2019 tourism figures from the Observatoire départemental du tourisme de Seine-et-Marne* [Seine-et-Marne Departmental Tourism Observatory]*).*

Seine-et-Marne also has nineteen museums among which five departmental museums. Among them, three are devoted to artists: Stéphane Mallarmé, Antoine Bourdelle and the Barbizon School. The Seine-et-Marne Department has a regional museum: The Prehistory museum of Ile-de-France located in Nemours.

A major tourist attraction in Seine-et-Marne, Disneyland® Resort Paris has recorded a cumulative total of over 320 million visits since it opened in 1991. It thus represents Europe's leading tourist destination.

A joint creation between Euro Disney SCA and the Pierre et Vacances Center Parcs Group, "Villages Nature Paris" opened in Seine-et-Marne in September 2016. It includes 1,730 accommodation units and is an unprecedented European holiday destination near to Paris. The Seine-et-Marne Department is committed, alongside the State, the Region and State Employment Centre, to supporting this tourism venture, that created 1,000 direct jobs. In 2019, the site drew 7.1 million visitors *(source: Observatoire départemental du tourisme de Seine-et-Marne).*

In 2020, the tourism sector was particularly affected by the Covid-19 health and economic crisis and the restrictive measures taken to contain it (closure of borders, limitation of travel within the country, total or partial closure of restaurants, bars and cultural venues).

- <u>Retail and wholesaling activities</u>

The Seine-et-Marne Department has the largest retail space per capita in the Ile-de-France Region: with more than 1,539 m² / 1,000 inhabitants in 2020, the Department far exceeds the regional average (426 m² / 1,000 inhabitants) *(sources: "Key data 2020" of the CCI of Seine-et-Marne / "Key data 2021" of the CCI Paris – Ile-de-France).* Major shopping facilities in the west of the territory (*Val d'Europe, Carré Sénart*) attract far beyond the Seine-et-Marne.

- <u>The non-profit tertiary sector</u>

This area concerns mainly the home of elderly or disabled people, with or without accommodation, and private health activities. With a growing population and a large selection of properties, the Seine-et-Marne is a major department at the Ile-de-France regional level in this sector, with capabilities far exceeding the exclusive needs of people from Seine-et-Marne.

<u>The secondary sector</u>

Due to its specific features (territory, population...), the secondary sector is more important within the territory than at the regional level.

By comparison with the other departments in the Ile-de-France region, in Seine-et-Marne, the industrial sector is significant. It represents 10.3% of salaried employment in the Department, compared to 7.2% at regional level in 2018 *(source: INSEE, RP2018).* The main industrial sectors are aerospace, metallurgy, metal working, food processing, machinery manufacturing, non-metallic mineral products, publishing, and printing. The Department is also specialised in the manufacturing of rubber and plastic.

The primary sector: agriculture

In 2020, according to AGRESTE (the Ministry of Agriculture's research and statistical agency), 59.3% of the agricultural area of the Ile-de-France Region is located in Seine-et-Marne. On 31 December 2018, there were 2,947 farms in Seine-et-Marne. In 2018, there were 4,405 jobs in the agricultural sector in the Department accounting for 39.4% of the agricultural sector jobs in Ile-de-France *(source: INSEE – RP 2018).*

Agricultural production in the Seine-et-Marne Department is significantly diverse, given that 65% of the Utilised Agricultural Land (SAU) of the Department is used for cereals *(source:*

	Surface area (in ha)	Share of total SA
Cereals	**216,880**	**65.0 %**
o/w soft wheat	115,605	34.6 %
o/w barley	61275	18.3 %
o/w maize	34,350	10.3 %
Oilseeds	**41,185**	**12.3 %**
o/w rapeseed	33,695	10.0 %
Beetroot	**30,735**	**9.2 %**
Potatoes	**3,378**	**1.0 %**
Forage areas (grassland, alfalfa, etc.)	**14,337**	**4.3 %**
Other (orchards, fresh and dried vegetables, seeds)	**17,363**	**5.2 %**

Source: AGRESTE Annual agricultural statistics 2020 provisional data included in the Key figures of the CCI of Seine-et-Marne

Seine-et-Marne accounts for 66% of Ile-de-France cattle farmers, 53% of Ile-de-France sheep farmers and 35% of Ile-de-France goat farmers *(source: CARIDF 2020; key figures for 2021 from the CCI of Seine-et-Marne*

Employment

High levels of participation and employment[3] rates

Compared to all French departments, the participation rate and the employment rate in the Seine-et-Marne Department are relatively high. In 2018, according to INSEE, the participation rate of 15-64 year olds stood at 76.5% (compared to 76.4% for the Ile-de-France Region and 74.1% nationally). In the breakdown, the participation rate of women is higher than the national average (74.0% at the departmental level, compared to 71.5% nationally).

The employment rate follows the same trend: it stood at 67.9% in Seine-et-Marne compared to 67.0% for the region and 64.2% nationally.

In 2020, the following private establishments had more than 1,000 employees in Seine-et-Marne (excluding temporary employment and the public sector)

Company	**Activity:**	**Staff**	**Municipality**
EURO DISNEY ASSOCIES SAS	Amusement and theme parks	14,105	CHESSY
AIR FRANCE	Air transport of passengers	5,392	LE MESNIL-AMELOT
SAFRAN AIRCRAFT ENGINES	Aerospace construction	5,013	MOISSY-CRAMAYEL
NESTLE PURINA PETCARE FRANCE	Manufacture of pet food	1,883	NOISIEL
SNGST	Private security activities	1,580	SERRIS
SECURITAS TRANSPORT AVIATION SECURITY	Private security activities	1,300	LE MESNIL-AMELOT
SILEC CABLE	Manufacture of electronic or electrical wire and cable	1,150	MONTEREAU-FAULT-YONNE
KEOLIS CIF	Regular road passenger transport	1,072	LE MESNIL-AMELOT

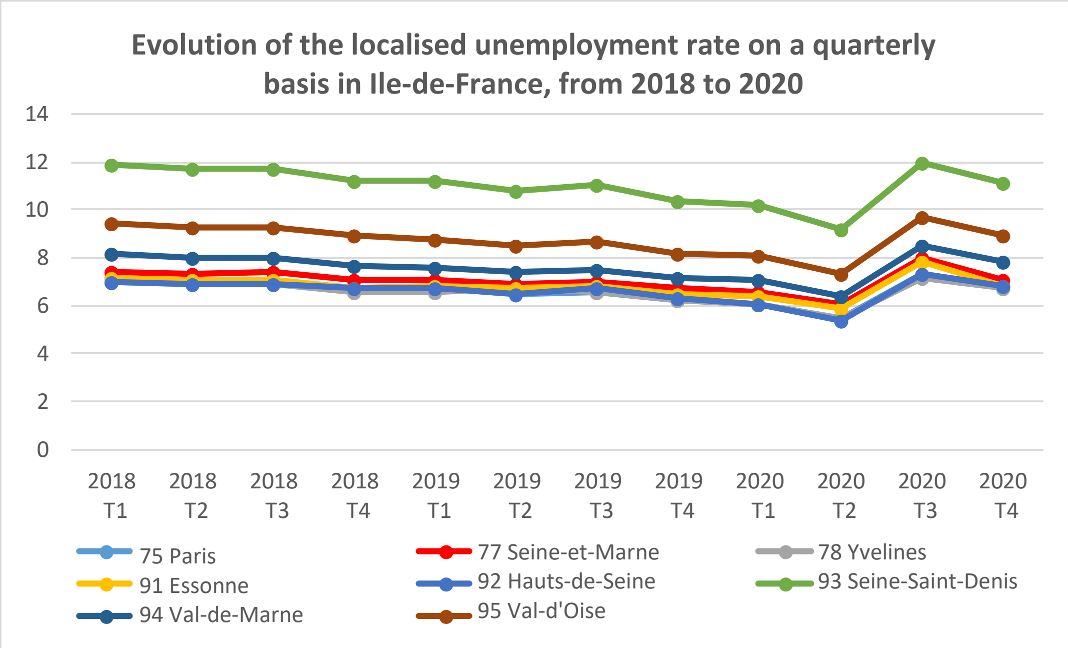
3 According to INSEE, the activity rate is the share of active 15-64 year olds (employed or recognised as unemployed), while the employment rate is the share of active 15-64 year olds (only those with a job are counted here).

ACNA	Other cleaning activities, not classified elsewhere	1,066	LE MESNIL-AMELOT
NESTLE FRANCE	Manufacture of other dairy products	1,062	NOISIEL
ACNA	Other activities auxiliary to financial services, except insurance and pension funds, not classified elsewhere	1,000	LAGNY-SUR-MARNE

Source: Base de Données Entreprises [Company database] - CCI Seine-et-Marne 082020

In addition to private establishments, some public establishments are also major employers in the department (Department of Seine-et-Marne, Departmental Public Security Directorate-77, Departmental Directorate of National Education Services -77, Marne La Vallée Hospital Centre, South Ile-de-France Hospital Centre, Meaux Hospital Centre).

A department relatively less affected by unemployment:



Source: INSEE – Local unemployment rate

The unemployment rate in the Seine-et-Marne Department has in these past years witnessed a variation similar to that observed at national and regional levels. After a period of increase since the end of the 2000s, essentially during the period after the economic crisis of 2008, the unemployment rate in the Seine-et-Marne Department stabilised at around 8% since 2013. Since 2017, this rate dropped gradually, almost continuously, reaching 6.1% in the last quarter of 2020. From the third quarter of 2020 onwards, the rate increased to reach 8.2% at year end. This increase was a direct consequence of the health crisis caused by the Covid-19 virus. This trend has also been observed at the regional and national levels.

In addition to the increase in mortality, the Covid-19 pandemic had a strong economic impact on employment, as did certain measures taken to contain the health crisis, such as confinements, which led to a halt or a very sharp slowdown in certain sectors of activity, despite supporting measures, such as partial activity, recourse to teleworking or business support plans.

In the last quarter of 2020, 5,781,759 people were seeking employment in categories A, B and C in mainland France, including 1,067,967 in the Ile-de-France Region alone and 111,419 in Seine-et-Marne. Compared to the last quarter of 2019, the increase in category A, B and C jobseekers represents 265,626 additional applicants for metropolitan France (i.e. an increase of +4.8%). This increase is considerably higher for Ile-de-France (+8.6%, i.e. 84,828 more jobseekers) and Seine-et-Marne (+9.1%, +9,321 jobseekers). The department ranks 7th among French departments with the highest increase in job seekers in categories A, B and C was the highest.

3. Financial information

3.1. Introduction

The main accounting rules applicable to all public organisations are defined by Decree 2012-1246 of 7 November 2012, as amended, on budget management and public accounting. The provisions pertaining to the territorial communities are specified mainly by the CGCT and by the specific budgetary and accounting instructions (instruction M52 for the departments).

The accounting of public organisations is kept according to the procedures inspired by the general accounting plan, in particular as it concerns the presentation of the accounts. These provisions common to private law structures are, however, adjusted by rules coming under French budgetary law specific to the public sector, which are prior to them.

The specific nature of public budgetary law is based on two fundamental principles:

Prior authorisation of revenue and expenditure by the deliberating Assembly; and

Separation of the instructing party from the accountant.

These principles of budgetary law govern the procedures of adoption, execution, and auditing of public accounts as well as the role of the various participants in the budgetary and accounting procedures.

The budget is the act by which the revenue and expenditure of public organisations are planned and authorised. While its development is incumbent upon the executive, its adoption is exclusively within the powers of an elected assembly. This deliberative competence cannot be delegated.

The Departmental Council thus has to make several budgetary decisions in the course of a financial year. The original budget is usually the first and most important of these decisions due to the mainly fiscal provisions that may accompany it. It may be adjusted during the year by amending decisions (or "DM1" or "DM2" as the case may be), adopted in the same terms. Of these amending decisions, a supplementary budget may be intended for the write-back of the accounting results and any credits carried forward which are observed at the close of the previous year. The budgetary decisions of the deliberating Assembly are imposed on the authorities in charge of implementing them. The adoption of the budget authorises the community's executive authority to collect the revenue and make the expenditure.

The budgets of the territorial authorities must follow four principles:

- the principle of budgetary unity: This principle stipulates that all revenue and expenditure must be grouped into a single document.

- the principle of annuality: The authorisation given to the community's to collect revenue and incur expenses is given for one year, from 1 January to 31 December.

- the **principle of universality**: all revenues and expenditure appear in the budget for the financial year without offsetting or allocation; and

- the **principle of equilibrium**: This principle means that, considering a truthful assessment of revenue and expenditure; the revenue must be equal to the expenditure. This principle applies to each section of the budget: The operations section, which includes current and on-going operations (including financial costs), must be balanced without recourse to borrowing. The investment section, which traces expenditure for the purpose of making capital assets, may be balanced by recourse to loans as long as the reimbursement of the debt capital appearing in it is ensured by its own revenue.

The principle of balanced local budgets is thus a guarantee of stability of local public finances since it prohibits them from financing financial expenses by loans (financial costs and debt annuity in capital) (Article L.1612-4 of the CGCT).

The administrative account (**CA**) examined before 30 June of the following year retraces the operations conducted during the year in expenditure and revenue, and closed as of 31 December of year *n*. This account, established by the community (the ordering body), must comply with the management account established by the public accountant who pays out the expenses and collects all the revenue of the community.

This mode of operation common to all local authorities, and which results from the principle of separation of ordering bodies and accountants deriving from the general laws governing public accounting rules in France, has the effect of reserving to the public accountant the handling of public funds and the organisation of an external audit of the validity of payment orders and revenue headings issued each year by the community. The role of this public accountant is thus a guarantee of the community's financial and accounting security. This security is also ensured by the administrative or legality audit of the acts of territorial communities exercised after the fact by the Prefect. Indeed, this State representative in the department makes sure the budget principles are followed, and chiefly that of balance. If the budget principles are not followed, the Prefect applies to the CRC, which proposes the necessary measures for restore budgetary balance. If the territorial communities say nothing or take inadequate measures, then the budget is settled and made enforceable by the State representative in the Department.

3.2. Execution of the 2020 Budget: 2020 Administrative account (CA)

Introduction

After a clear improvement in the major financial balances of the Department's budget, the administrative account for 2020 showed a slight deterioration in the gross savings rate resulting from the health crisis.

Actual operating expenses increased by €32.5M, i.e. +2.9%, while actual operating revenues have increased less rapidly, without a tax increase, by €21.7M (i.e. +1.6%).

As a result, the savings generated in the operating section decreased to €214.9M, against compared to €225.7M in the 2019 Revenues.

In actual amounts, 2020 operating expenditure amounted to €1,137.4M and operating revenue to €1,352.3M.

The 2020 management result was thus a surplus of €215M in the operating section.

In investment, 2020 expenses amounted to €360M excluding the deficit, and income was €151.6M excluding the surplus, i.e. a financing requirement of €208,4M.

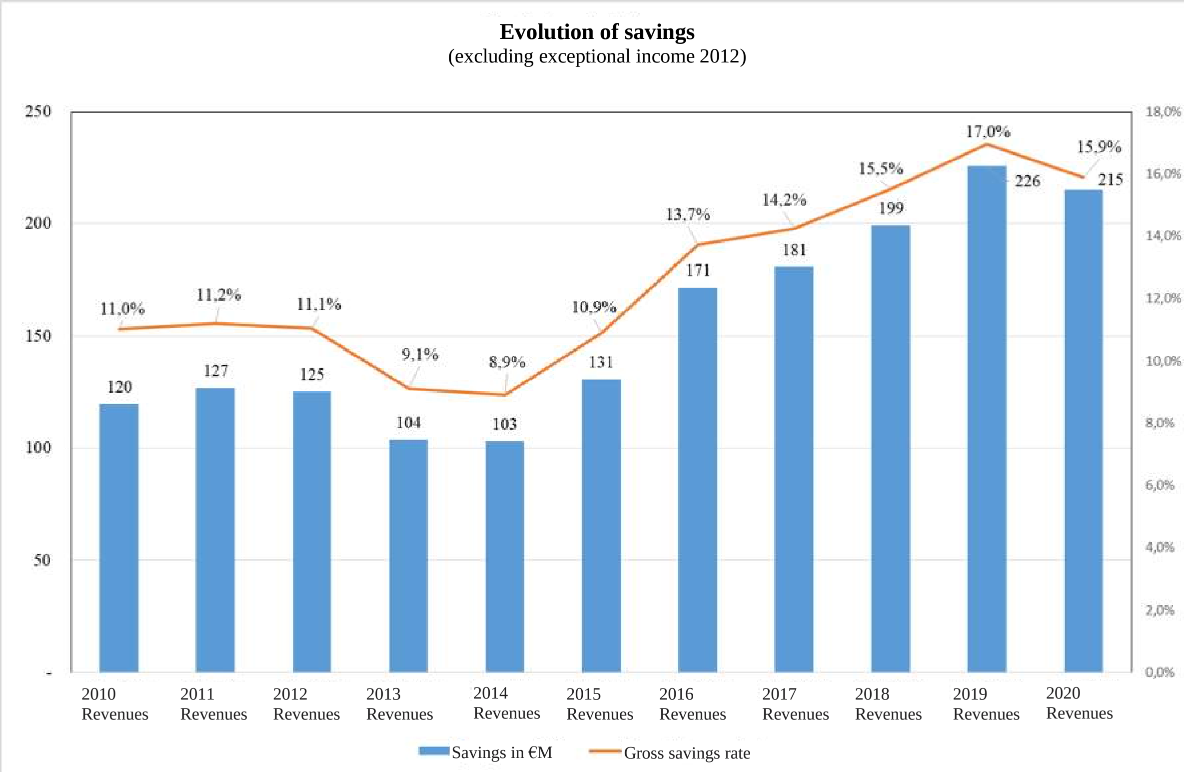
In total, the 2020 surplus was €6.6M. It will be added to the previous surplus of €33M, as a result of which, after financing the carry-overs from 2020 to 2021 (€3.8M), the net income available to be included in the 2021 supplementary budget amounts to €35.8M (compared to €30.6M for the 2020 supplementary budget).

In €M	**Expenses**	**Income**	**Results**
Operations	1,137.41	1,352.36	214.95
Investment	360.00	151.62	-208.37
Management results 2020			6.57
Cumulative overall surplus at the end of 2019			33.05
Cumulative overall surplus at the end of 2020			39.62
Deficit - statement of carry-forwards from 2020 to 2021			-3.80
Net profit available for Supplementary Budgets (DM2 2021)			35.82

At the same time, the Department's total outstanding long-term debt decreased by €27.7M in 2020, as repayments (€111M) were higher than long-term loan disbursements (€83.4M). This stock of long-term debt amounted to €629.7M at the end of 2020 (compared to €657.4M at the end of 2019).

With savings generated from the operating section of €214.9M, the solvency ratio (ratio between the stock of long-term debt, €629.7M, and gross savings from the operating section, i.e. €214.9M) stabilised at 2.9 years in 2020, the same level as end-2019.

The improvement in the Department's financial situation, which began in 2015, as shown in the graph below, was consolidated in 2020.



Regarding the change in revenue in 2020, operating revenue increased by + 1.6% compared to 2019, mainly in income from indirect taxes (+ €5.8M, or + 1%) and direct taxes (+ €5.6M, i.e. + 1%). In addition, grants and contributions also increased by €3.2M (i.e. +1.6%).

The table and graph showing the evolution of operating expenses (pages 38 and 39), show a progression in 2020, since these increase by 2.9% in total, with operating expenses (excluding equalisation funds and financial expenses) which rose by +3.4%.

Solidarity mission expenses increased compared to 2019 expenses (+ €15.9M).

This predominantly reflects expenditure on RSA allowances (+8.8% or €15.5M), which rose sharply. To this should be added expenditure in the autonomy sector, with expenditure for the disabled (+2.4%) and expenditure in the elderly sector, which stabilised (+0.4%). Conversely, after strong growth between 2016 and 2018, driven by the increase in the reception of Unaccompanied Minors, and stabilisation in 2019, expenditure in the children's sector fell by -3.4% to €166.9M (against €172.8M in 2019).

Three other sectors also grew: expenditure on resources (+€14.3M or +83.6%, notably with the purchase of masks and other equipment linked to the health crisis), security expenditure (+€5.4M or +5% with the subsidy to the departmental fire and rescue service (SDIS)) or territorial development (+€4.2M or +71%, marked by the first departmental recovery plan).

In the face of these increases, decreases should be noted, notably in transport (-6.7% for -€3.4M) and tax transfers (-6%) to reach the amount of €34.6M. Staff costs stabilised at €192.7M (excluding family assistants).

In addition, by virtue of active but prudent debt management and the maintenance of low interest rates, financial expenses decreased by €1.6M to €12.9M (compared with €14.4M in 2019 and €16.9M in 2018).

Equipment expenses have increased once again, by 17.4% (i.e. +€36.9M) to an amount of €248.9M (compared to €212M in 2019). Spending on education (€78.8M) remains the largest item of investment, accounting for 32% of total expenditure. The revival of road investments is translated in the 2020 administrative account by an increase in the realisation of expenditure of +28.5% (i.e. +€16.1M), for a final amount of €72.6M (against €56.5M in 2019). In addition, there has been an increase in the transport sector: +€3.6 million (for a total amount of €8.7M). Local development also increased by 6.9% (for a total amount of €28.8M). Finally, it is important to note a contribution of €13.1M made to the Interdepartmental Solidarity Fund for Investment (FS2I) (however, the Department received €25.4M from the same fund in 2019).

The balance sheet for the three individual solidarity allowances (AIS), i.e. the RSA, the personalised autonomy allowance (APA) and the PCH, showed a net charge of almost €188.5M for 2020 alone, with a slight fall relative to 2019. The cumulative amount of under-compensation amounted to €1,750.9M at end of 2020.

General presentation

Total payment credits of **€2,339,289,433.96** were entered for 2020 (primary budget and subsequent amending decisions), combining investment and operation, including accounting transfers and carry-forwards from previous years, as follows:

- A 2019 investment deficit of **€143,414,132.71**;
- A deficit balance of investment carry-forwards of **€2,464,674.58**; and
- An available 2019 operating surplus of **€30,582,680.70** after allocation of 2019 income to cover the investment deficit, on the one hand, and the deficit balance of the investment carry-forwards mentioned above on the other.

Budget execution:

The execution of the budget, excluding the 2019 surplus carried forward and the deficit covered, resulted in a total expenditure of **€1,672,253,576.75**, with **€1,678,826,646.24** in revenue, as shown in the table below:

EXPENSES			
	Investment	Operations	Overall
Actual expenses	362,157,624.48	1,137,413,026.11	1,499,570,650.59
Accounting expenses	71,385,027.45	101,297,898.71	172,682,926.16
Total expenses	**433,542,651.93**	**1,238,710,924.82**	**1,672,253,576.75**
INCOME			
	Investment	Operations	Overall
Actual income	153,783,699.94	1,352,360,020.14	1,506,143,720.08
Accounting revenues	149,817,199.29	22,865,726.87	172,682,926.16
Total income	**303,600,899.23**	**1,375,225,747.01**	**1,678,826,646.24**

The execution rates of the 2020 budget can initially be measured excluding the write-back of results, excluding self-financing and excluding carry-overs, on the actual and commitment amounts, a perimeter which corresponds to the determination of results at the close of each specific accounting period.

Actual and accounting amounts	**2020**		
	Credits initiated	Credits realised	% Realised
Functioning			
Expenses	1,262,020,385.04	1,238,710,924.82	98.15%
Income	1,312,202,043.76	1,375,225,747.01	104.80%
Balance	**50,181,658.72**	**136,514,822.19**	
Investment			
Expenses	850,625,902.21	433,542,651.93	50.97%
Income	769,861,562.79	303,600,899.23	39.44%
Balance	**- 80,764,339.42**	**- 129,941,752.70**	

While the implementation rates for the operating section are already meaningful in terms of real and accounting amounts, the implementation rates for investment are not significant: indeed, credits of €350M have been made available in expenditure and revenue in order to record debt refinancing operations (€100M) and movements during the year by way of drawdowns and reimbursements of the Department's variable-rate loans (€250M). Since these credits are little used in the current financial context, the realisation rates for investment appear low but do not reflect the mobilisation of credits for expenditure on equipment.

The implementation showed a positive balance for operations **(€136.5M**), which was **€86.3M** higher than the forecast. This difference can be broken down into unrealised expenditure of **€23.3M** and an overshoot of realisation of revenues for **€63M**.

For a more detailed analysis of the 2020 budget execution rates for departmental policy appropriations, it is thus necessary to subtract balanced transactions as well as financial operations carried out in operation and in investment.

Actual movements and, excluding financial transactions in investment and operating activities (accounts 76, 66 and 16)	2020			2019	2018	2017	2016
	Outstanding credits	Credits realised	% Realised	% Realised	% Realised	% Realised	% Realised
Operations							
Expenses	1,149,209,313.27	1,124,550,594.08	97.9%	98.4%	98.9%	98.7%	98.4%
Income (with disposals)	1,291,440,351.28	1,352,046,039.46	104.7%	102.3%	103.1%	102.2%	101.7%
Investment							
Expenses	256,007,714.90	248,949,482.90	97.2%	95.3%	94.5%	94.3%	92.5%
Income (with disposals)	71,519,507.05	68,258,224.94	95.4%	100.4%	96.6%	99.8%	96.2%

The rate of implementation of operating expenses stood at 97.9%.

Moreover, in terms of investment, the rate of realisation of expenditure is equal to 97.2%. In terms of revenue, excluding disposals, the realisation rate was 95.4%.

The implementation rate for operating income, which is always estimated prudently, was more than 100%: 104.7%.

Income:

There are three levels of income:

- income specific to the year (before previous income is added);
- cumulative income (after previous income is added and before any outstanding income to be implemented). This income constitutes the "official" income, of which the operating amount is to be allocated. Investment revenues are merely considered an implementation balance resulting in a financing deficit or surplus;
- the final income (after any outstanding income to be implemented).

Actual + operational	**Investment**	**Operations**	**Overall**
Expenses			
Loss carried forward (1)	143,414,132.71		143,414,132.71
Realised (2)	433,542,651.93	1,238,710,924.82	1,672,253,576.75
Remaining to be realised (3)	3,803,359.73		3,803,359.73
Total (4) = (1) +(2) + (3)	**580,760,144.37**	**1,238,710,924.82**	**1,819,471,069.19**
Income			
Surplus carried forward (5)	145,878 80729	30,582,680.70	176,461,487.99
Realised (6)	303,600,899.23	1,375,225,747.01	1,678,826,646.24
Remaining to be realised (7)			0.00
Total (8) = (5) + (6) + (7)	449,479,706.52	1,405,808,427.71	1,855,288 13423
Results specific to 2019 (6) - (2)	-129,941,752.70	136,514,822.19	6,573,069.49
Cumulative result {(5) + (6)}-{(l) + (2)}	-127,477,078.12	167,097,502.89	39,620,424.77
Definitive result (8) – (4)	**-131,280,437.85**	**167,097,502.89**	**35,817,065.04**

By way of investment, expenditure carried forward amounted to €3.8M and principally concerned three sectors: general resources (€1.3M), IT systems (€1.1M), heritage and museums (€0,4M) and education and training (€0,4M).

The overall final accounting result specific to the implementation of 2020 operations only (i.e. before adding previous income) is therefore a surplus of €6.6M compared to €5.2M in 2019.

Change in operating revenue from the 2019 CA to the 2020 CA

Since 2009, the Department's tax revenue basket has been transformed by successive reforms: abolition of the business tax and reallocation of revenue between the different levels of communities, the confidence and responsibility pact, transfer of part of the contribution on the added value of companies (CVAE) to the Region and reallocation of revenue following the abolition of the residence tax.

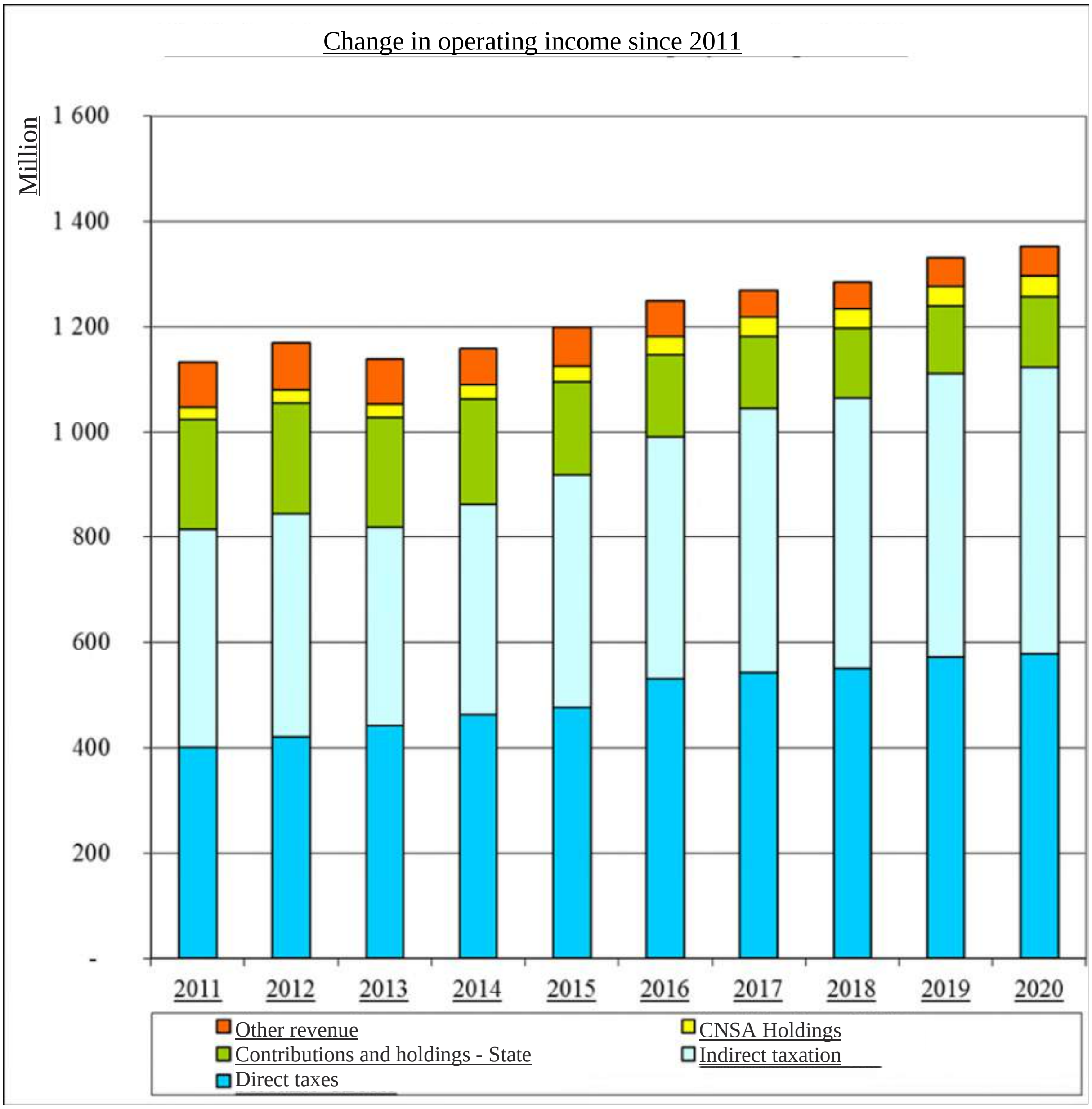
The following table recalls the evolution of the direct tax basket since 2009, following the various reforms.

2009	2010	2011 2012 2013	2014 2015 2016	2017 2018 2019 2020
Basket of direct tax revenues until 2009	Transition year	Basket of revenues following the abolition of the business tax and the reallocation of revenue between levels of CT	Basket of revenues following the Confidence and Responsibility Pact	Basket of revenues following the transfer of 25% of the CVAE share to the IDF Region
Department's share of TP	Relay compensation	48.5% of the CVAE IFER Region's share of the TFPB State's share of the DMTO State's share of the TSCA DCRTP FNGIR	48.5% of the CVAE IFER Region's share of the TFPB State's share of the DMTO State's share of the TSCA DCRTP FNGIR	23.5% of the CVAE Reversal of the IDF CVAE IFER Region's share of the TFPB State's share of the DMTO State's share of the TSCA DCRTP FNGIR
Departmental share of TH	Departmental share of TH			
Departmental share of TFPNB	Departmental share of TFPNB			
Departmental share of TFPB	Departmental share of TFPB	Departmental share of TFPB	Departmental share of TFPB	Departmental share of TFPB
		FNPDMTO	FNPDMTO	FNPDMTO (2017–2019); Overall FNPDMTO (2020)
			FSDMTO	FSDMTO (2017–2019)
				FSID (2019)
		FNPCVAE (2013)	FNPCVAE	FNPCVAE
			Management fees of the TFPB	Management fees of the TFPB
			FSDRIF	FSDRIF
			Contribution to the recovery of public finances reducing the DGF	Contribution to the recovery of public finances reducing the DGF

Following these reforms, in 2020 the Department of Seine-et-Marne voted for a single direct tax rate, that of property tax on built-up properties, whereas before 2009, the Department of Seine-et-Marne approved four direct tax rates.

In 2020, operating revenue amounted to €1,352.4M, compared with €1,330.6M in 2019, an increase of 1.6%. The main revenue breakdown was as follows:

Type of revenue	2019 Revenues	2020 Registered credits	2020 Revenues	Rate of realisation	% change
Property tax on built properties	353,056,890	356,762,905	357,351,530	100.2%	1.2%
Company value-added contribution	90,063,667	91,767,149	91,767,149	100.0%	1.9%
Repayment of Region's share of CVAE	85,671,811	85,671,811	85,671,811	100.0%	0.0%
Lump sum tax on network companies	3,251,022	3,283,621	3,502,319	106.7%	7.7%
National fund for individual security of resources	17,925,606	17,925,606	17,925,606	100.0%	0.0%
Repayment of Solidarity fund for the departments of the IDF region	10,423,580	9,724,767	9,724,767	100.0%	-6.7%
Management costs for property tax on built properties	12,113,800	12,403,724	12,403,724	100.0%	2.4%
Direct taxes	**572,506,376**	**577,539,583**	**578,346,906**	**100.1%**	**1.0%**
Taxes on transfers for consideration	279 75 7,829	230,000,000	279,790,573	121.6%	0.0%
Repayment of the DMTO equalisation fund	13,200,802	17,736,053	17,736,053	100.0%	34.4%
Repayment of the DMTO solidarity fund	1,328,941	0	0	NS	NS
Planning Tax	17,519,741	14,000,000	17,282,490	123.4%	-1.4%
Special tax on insurance agreements	132,765,725	146,207,390	137,954,296	94.4%	39%
Departmental tax on end consumers of electricity	14,118,292	14,182,000	13,877,142	979%	-1.7%
Interior tax on energy product consumers	75,662,798	63,099,102	73,943,155	1172%	-23%
Mining royalties	3,107,220	2,200,000	2,689,011	1222%	-133%
Additional tax to the tourist tax	1,157,563	800,000	958,884	1199%	-172%
Indirect payments	**538,618,909**	**488,224,545**	**544,231,605**	**111.5%**	**1.0%**
Overall operating provision	89,262,015	89,823,504	89,823,504	100.0%	0.6%
Compensatory Allowances	22,902,152	22,368,109	22,428,417	1003%	-2.1%
including Compensation provision of the professional tax reform	*18,894,120*	*18,894 1 20*	*18,894,120*	*100.0%*	*0.0%*
General decentralisation provision	4,120,007	4,120,007	4,120,007	100.0%	0.0%
Departmental mobilisation fund for inclusion	8,703,620	8,700,000	8,889,256	1022%	2.1%
FCTVA (op. share)	1447 723	1,500,000	1,513,054	1009%	43%
Other State contributions	2,618,522	7,979,574	7,872,373	98.7%	200.6 %
State subtotal	*129,054,039*	*134,491,194*	*134,646,611*	*100.1%*	*4.3%*
Contribution for APA 1	20,556,764	17,309,000	24,639,294	1423%	199%
Contribution for APA 2	4,052,366	5,254,300	1,553,805	29.6%	-61.7%
Contribution for PCH	11,943,101	10,604,000	12,319,033	1162%	3.1%
Contribution for MDPH	0	0	0	NS	NS
CNSA subtotal	*36,552,231*	*33167300*	*38,512,132*	*116.1%*	*5.4%*
Other holdings	33,953,996	30,104,497	29,594,818	983%	-12.8%
Contributions and holdings	**199,560,266**	**197,762,991**	**202,753,561**	**102.5%**	**1.6%**
Domain and day-to-day management revenue	6,164,145	5,187,212	5,087,895	98.1%	-173%
Social and industrial aid recovered by the Department	7,926,910	8,850,785	10,416,823	117.7%	31.4%
Financial income	213,187	170,871	313,981	183.8%	473%
Extraordinary income	5,525,233	11,012,345	10,709,250	972%	93.8%
Reversals of provisions	97,959	500,000	500,000	100.0%	410.4 %
Other revenue	**19,927,434**	**25,721,213**	**27,027,949**	**105.1 %**	**35.6%**
Total operating revenue	**1,330,612,985**	**1289 248332**	**1,352,360,020**	**104.9%**	**1.6%**



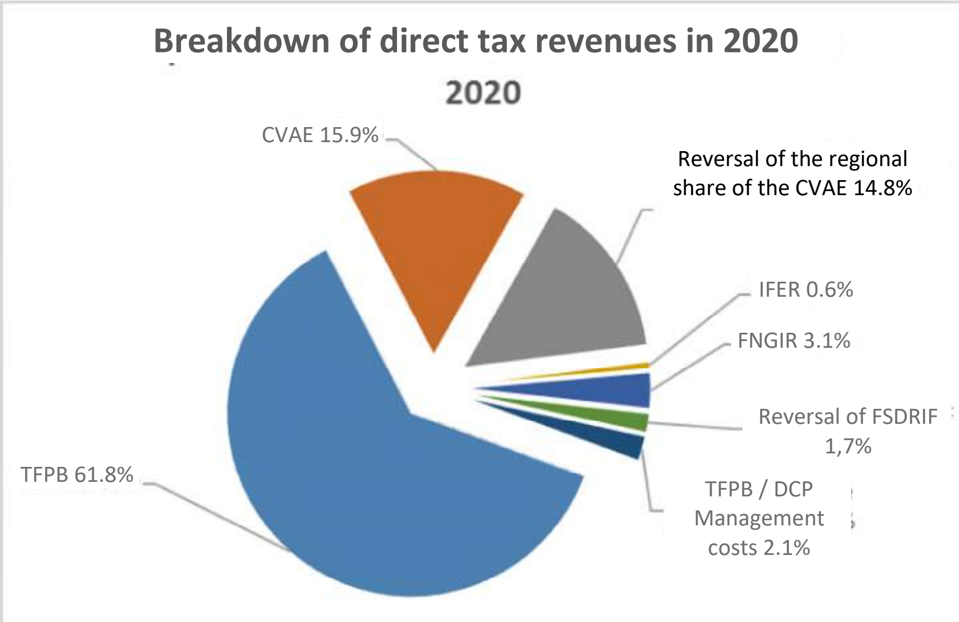
The year 2020 was marked by the health crisis which led to a major economic recession.

In the face of the economic crisis generated by the pandemic, the objective of reducing the operating expenses of local authorities, which had replaced the logic of lowering allocations since 2018, was suspended in order to allow local authorities to generate urgent expenses to support the population and the economy without the constraint of the framework of their operating expenses.

If the Covid-19 epidemic disrupted the pace of collection of certain revenues in 2020, the economic crisis did not have a significant effect on the level of departmental revenues from 2020 onwards, notably on account of the methods of revenue collection and the health-related nature of the crisis, which was different from that experienced in 2009. In this way, real operating revenues showed an overall increase of €21.7M between 2019 and 2020. This increase was essentially due to the increase between 2019 and 2020 of +€5.2M in the proceeds of the special tax on insurance policies, of +€4.3m in the proceeds of the property tax on built-up properties and of +€3.2M in equalisation revenues for DMTO, as well as the +€5.2M growth in extraordinary income. While particularly volatile, the income from transfer duties remained stable between 2019 and 2020, after growth of nearly 8% between 2018 and 2019.

The changes in the various revenue items are detailed below.

- Direct tax proceeds:



Revenue from direct taxation increased in 2020 by +1% compared to 2019, from €572.5M to €578.3M.

The increase in the "direct taxation" item was principally due to the proceeds of the Property Tax on Built Properties (TFPB), which recorded an overall increase of +1.2%, rising from €353.1M in 2019 to €357.4M in 2020.

CVAE proceeds recorded an increase of +1.9% relative to 2019. It thus amounted to €91.8M in 2020, against €90.1M in 2019.

The 2020 economic crisis generated by the pandemic had no effect on the amount of CVAE collected in 2020 on account of these payment methods. 2020 CVAE proceeds corresponded to the CVAE revenue paid in 2019 by the companies (i.e. the balance of the 2018 CVAE and two instalments for the 2019 CVAE calculated on the basis of the final 2018 CVAE).

Since 2017, the 2016 Finance Act of 29 December 2015 has reduced the departmental share of the CVAE from 48.5% to 23.5%, with that of the Regions rising from 25% to 50% from 2017 onwards. This new distribution of the CVAE between Regions and Departments aims to compensate the Regions for new expenses resulting from the transfer of authority over inter-city road transport for travellers and school transport enacted by Article 15 of the NOTRe law. In Île-de-France, these powers were already under the jurisdiction of the Region through the Île-de-France Transport Association (STIF), by way of application of the provisions of the amended ordinance of 7 January 1959 on the organisation of passenger transport in Île-de-France.

The Île-de-France Region must consequently pay the Department of Seine-et-Marne a financial compensation allocation equal to 51.5% (25/48.5ths) of the amount of the value-added tax collected by the Department in 2016. The transfer of the regional share of the CVAE is fixed in time at €85.7M, under the terms of the 2016 Finance Act. The Department thus lost the progressive increase in this share of tax to the Region, estimated cumulatively at -€27.3M over the period 2017 - 2020.

The yield of the Fixed Tax on Network Companies (IFER) amounted to €3.5M in 2020, registering an increase of +7.7%. This tax mainly concerns power plants and radio stations.

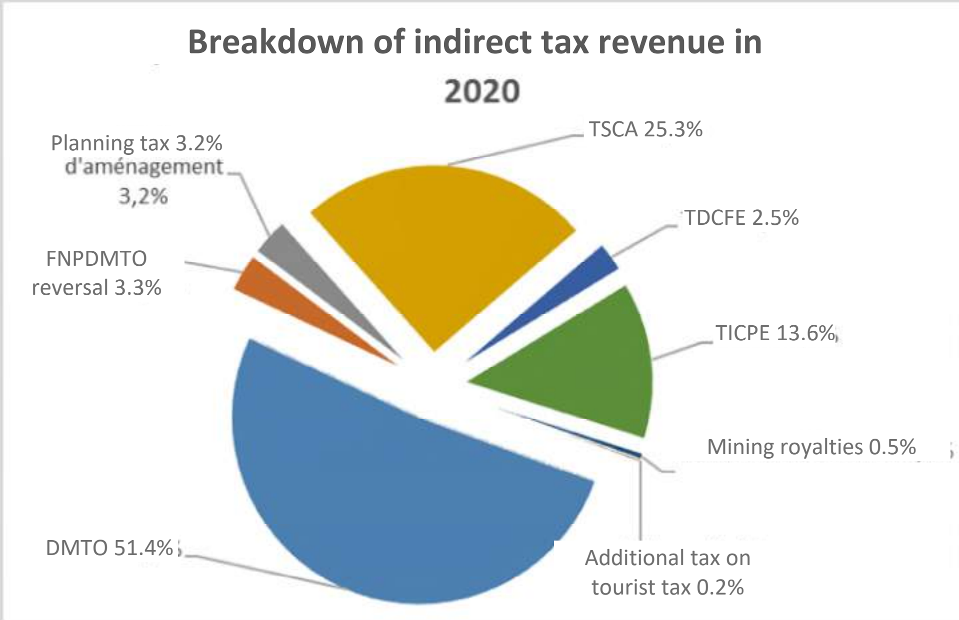
Recorded in the accounts as a subdivision of direct taxation (since it is funded by a levy on the tax revenues of local authorities that have benefited from a gain in the context of the 2010 reform), the *Fonds National de Garantie Individuelle des Ressources* [National Individual Guarantee Fund for Resources] (FNGIR) has amounted to the now fixed amount of €17.9M since 2013.

Created from 2014 onwards, the solidarity fund for the Departments of the Ile-de-France Region has global available funds amounting to €60M. Its operation is based on a synthetic index of resources and charges. As a beneficiary of the Solidarity Fund of the Departments of the Ile-de-France Region (FSDRIF), the Department of Seine-et-Marne received an allocation of €9.4M in 2020.

With a view to better financing of individual solidarity allocations, the Departments witnessed the transfer of the proceeds of the TFPB management fees from 2014 onwards. These proceeds, which amounted to €1,015.3M in 2020, are split between the Departments into two parts, one of 70% on the basis of the remaining expenses of the Departments for the three AIS and the other of 30%, based on a synthetic index of resources and charges. The product of these two shares is then weighted by per capita income.

The transfer of the proceeds of the TFPB management fees to the Department of Seine-et-Marne amounted to €12.4M in 2020, an increase of +2.4% relative to 2019.

- Indirect tax revenue:



Indirect tax revenue increased in 2020 by +1.0% compared to 2019, from €538.6M to €544.2M. This growth was mainly due to the increase in proceeds from the special tax on insurance agreements in 2020.

In 2020, proceeds from Transfer Duties (DMTO) remained at the same level as in 2019, i.e. an amount of €279.8M. The health crisis disrupted the pace of DMTO collection during the first containment period, without causing a decrease in revenue from 2020 onwards due to the health origin of the economic crisis, unlike that experienced in 2009.

In addition to the transfer of the proceeds of the management fees of the TFPB to allow the Departments to finance their remaining expenses on the individual solidarity allocations, the State authorised them to raise the ceiling rate of the transfer duties from 1 March 2014 onwards from 3.80% to 4.50%; By a decision of 13 January 2014, the Department adopted the increase in the DMTO rate to 4.50% for instruments drawn up and agreements concluded from 1 March 2014 onwards in Seine-et-Marne.

At the proposal of the Assembly of French Departments (ADF), the horizontal equalisation of DMTO was reformed into the Finance Act for 2020. From 2020 onwards, a national equalisation fund for transfer duties was created to replace the three existing equalisation funds based on the DMTO: the national equalisation fund for DMTO (FNPDMTO) created in 2011, the solidarity fund for DMTO (FSDMTO) created in 2014 and the interdepartmental solidarity fund (FSID), created in 2019. The resources of the equalisation fund are divided into three budgets, distributed among the Departments according to the same procedures as those of the FSID for the first (€250 M), of the FNPDMTO for the second (52% of the balance) and of the FSDMTO (48% of the balance).

Following the merger of the equalisation funds, the transfer to the national equalisation fund for transfer duties (FNPDMTO) reached an amount of €17.7M in 2020, against €14.5M in 2019 (i.e. €13.2M by way of the FNPDMTO and €1.3M by way of the FSDMTO). The Department benefits from an allocation due the fact that its financial potential per inhabitant is lower than the average financial potential of the Departments. In parallel, the Department has contributed €32.4M to the FNPDMTO, resulting in a net contribution of €14.7M in 2020.

Introduced to replace the Departmental Tax for Sensitive Natural Spaces (TDENS) and the Tax intended to finance the CAUE (TDCAUE) since 1 March 2012, the proceeds of the *Taxe d'aménagement* [Planning Tax] (TA) amounted to €17.3M in 2019, recording a fall of -1.3% relative to 2019.

In accordance with the distribution of the rate adopted by the Departmental Assembly between the policy of sensitive natural areas and the financing of the CAUE, 0.2% of the voted rate of 2.2% of the development tax is repaid to the CAUE during the financial year of collection.

The Special Tax on Insurance Agreement (TSCA) intended to cover, on the one hand, the costs relating to the SDIS and, on the other, the transfers of capacities which occurred in 2004, amounted for each of these parts and respectively to €23.0M (+ 3.4% compared to 2019), and to €55.8M in 2020 (+ 3.7% relative to 2019).

Since 2011, the TSCA has also included a new share granted as part of the reform of local taxation, in order to compensate, in part, for the abolition of the business tax. In 2020, this new share reached the amount of 59.2M, registering an increase of +4.4% relative to 2019. In total, the 2020 revenue from the TSCA was €138.0M.

Since the TSCA proved insufficient to cover all of the costs incurred by the transfer of capacities arising in 2004, an additional share of TICPE has been allocated to the Departments since 2008. This part amounted to €10.8M in 2020 and brought the compensation for the transfer of capacities of 2004 to €66.6M (+0.4% compared to 2019).

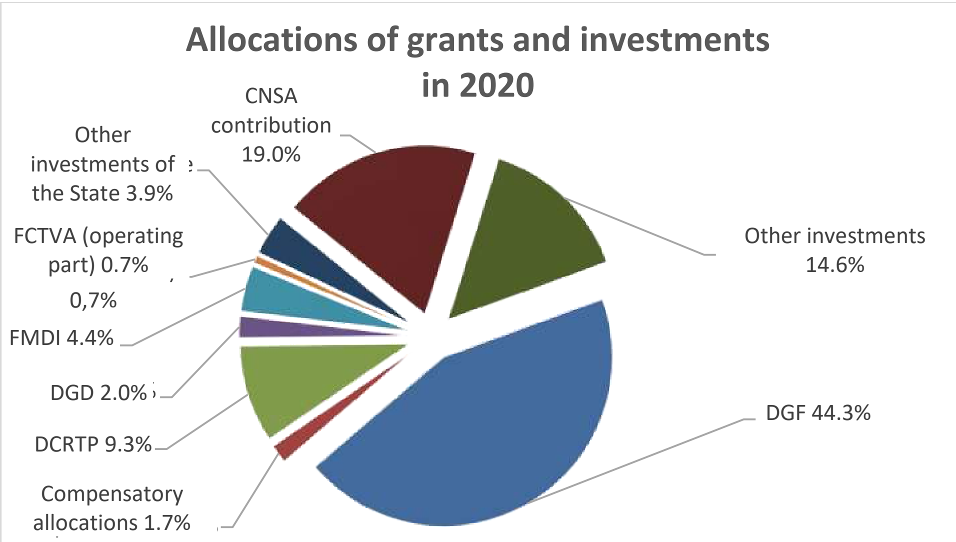
The proceeds from the Departmental Tax on Final Electricity Consumption (TDCFE) amounted to €13.9M in 2020, against €14.1M in 2019. Since 1 January 2011, when the law of 7 December 2010 on the new organisation of the electricity market (NOMÉ) entered into effect, the tax base has been based on the quantities of electricity consumed by users and no longer on the invoiced prices. Since the updating of the product no longer depends on the price of electricity or the subscription, the law provided for an updating of the upper limit of the multiplier coefficient from 2012 onwards. Since 2016, this updating has been done by the tariff and no longer by the multiplier coefficient (adopted by the Departmental Council as 4.25 since 2016). While the tariff increased by +1.3% in 2020 relative to 2019, proceeds fell by -1.7% between 2019 and 2020 due to a decrease in the quantities of electricity consumed of -4.2%.

Proceeds from the mining royalty amounted to €2.7M in 2020.

Proceeds from the Domestic Consumption Tax on Energy Products (TICPE) fell by -2.3% between 2019 and 2020. In addition to this share (€10.8M), this indirect tax is intended to compensate the costs of the Department in 2020 by way of the RSA costs for an amount of €63.1M. This amount of compensation of the RSA of €63.1M has been fixed since 2014. With the additional share of TICPE allocated to the decentralisation costs (€10.8M), total TICPE revenue amounted to €73.9M in 2020.

Proceeds from the additional tax on tourist tax fell by -17.2% in 2020 to €1.0M, against €1.2M in 2019. This decrease is the direct consequence of the health crisis and the containment measures that were implemented.

- Revenues linked to allocations and contributions:



Revenues related to provisions and contributions were stable (1.6%) between 2019 and 2020, amounting to €202.8M in 2020, against €199.6M in 2019.

After four successive years of contributions of local authorities to the recovery of public finances, reducing the DGF, the logic of lowering allocations was abandoned in 2018 in favour of local authorities making savings of up to €13 billion in operating expenses relative to their spontaneous evolution over the five-year period. The Public Finance Programming Act for 2018 to 2022 set two objectives:

- one of reducing the evolution of operating expenditure so that it increased in value (including inflation) by an average of 1.2% each year over the period for local authorities.

- and the other of reducing the financing requirement by €13 billion, or €2.6 billion per year.

In the face of the economic crisis generated by the pandemic, the Emergency Law of 23 March 2020 suspended contractualisation, in order to allow local authorities to commit to urgent expenditure to support the population and the economy without the constraint of a framework for their operating expenditure.

Despite the suspension of the contractualisation mechanism implemented in 2018, the level of State financial assistance to local authorities was maintained in 2020 at its 2019 level, in accordance with the Finance Act (LFI) for 2020.

At the same time, the LFI for 2020 had provided for an increase in the equalisation allocations of the DGF of the Departments of +€10M as in 2019 and 2018, due to the absence of a reduction in allocations from 2018 onwards.

The overall amount of the Global Operating Allocation of the Department of Seine-et-Marne recorded a slight increase of +0.6% in 2020, after an increase of +0.8% in 2019. These small changes follow four years of successive decreases due to the contributions to the recovery of public finances applied from 2014 to 2017. The Department's DGF was reduced over the period by €79.2M.

This slight growth in the DGF in 2019 resulted from the +€0.5M increase in the dynamic population share and the +€0.1M increase in the urban equalisation allocation. The overall amount of the DGF in 2019 was thus €89.8M, against €88.3M in 2019 (i.e. +€0.6M between 2019 and 2020).

In order to observe the maintenance in value of the standardised budget of State allocations to local authorities, direct tax compensatory allowances are used as adjustment variables. Since 2017, the Finance Act has integrated the Allocation for Compensation of the Reform of Business Tax (DCRTP) of the Departments and Regions, the allocations compensating for TH and the departmental funds for the equalisation of the business tax.

In 2020, only the DCRTP of the Regions and the municipal bloc and the compensatory allocations of the Regions and Departments were subject to a reduction. The other variables were maintained at their 2019 levels. By virtue of the LFI for 2020, the adjustment variables were reduced in proportion to the actual operating revenue of the beneficiaries, as in 2019.

The item of compensatory allowances of the Department of Seine-et-Marne (including the DCRTP) amounted to a total of €22.4M in 2020, recording a decrease of -2.1%.

After a -3.1% decrease in 2019, the DCRTP remained stable in 2020 at €18.9M. The compensatory allowances for direct taxation have decreased by -11.8% to reach €3.5M in 2020.

The General Decentralisation Allocation (DGD) was fixed in 2020 at €4.1M.

Created in 2006 to reduce the gap between compensation and the costs incurred by the RSA, the Departmental Mobilisation Fund for Integration (FMDI) was transformed into a permanent structure by the LFI for 2017. Allocations to Seine-et-Marne from the FMDI amounted to an overall amount of €8.9M in 2020.

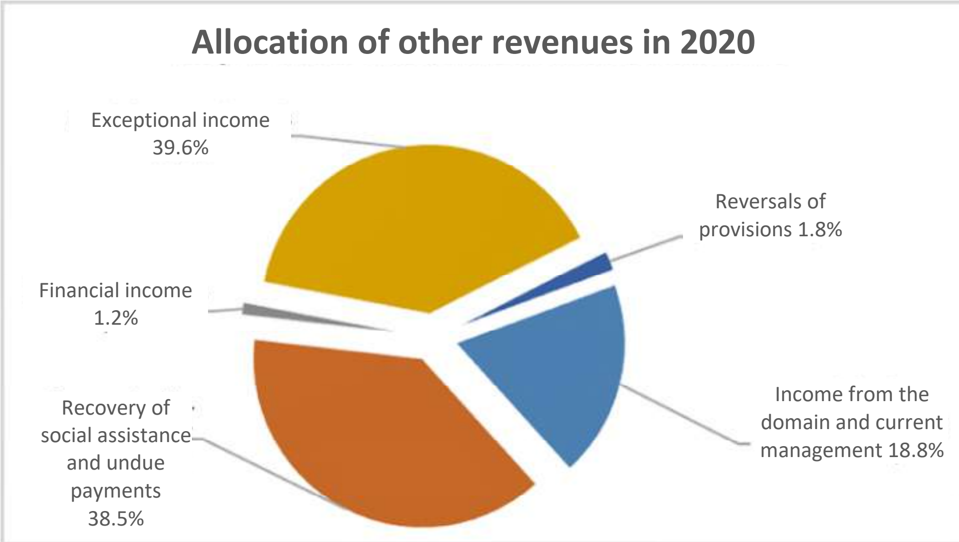
Paid by the State for the first time in 2017, in 2020, the Department received a €1.5M share of the FCTVA in its operating section. The 2016 LFI and the 2015 LFR extended the base of eligible expenditure to include expenditure on the maintenance of public buildings and roads starting from 1 January 2016.

Other State investments increased from €2.6M in 2019 to €7.9M in 2020.

Revenues from the National Solidarity Fund for Autonomy (CNSA) registered an increase of +5.4% in 2020, reaching €38.5M in 2020. This increase was mainly due to the increase in the second part of the APA contribution (€6.3M, i.e. +54.5% relative to 2019) and the PCH contribution (€12.3M, i.e. +3.15%), which offset the decrease in the first part of the APA contribution (€19.9M, i.e. -3.2% compared to 2019).

Other investments decreased by -12.8% between 2019 and 2020 and amounted to €29.6M in 2020. They include contributions from Ile-de-France Mobilities (IDFM) for school transport, amounting to €16M in 2020. This investment consists of €5.7M for special school routes and €10.3M for transport of disabled pupils and students. This item also included the participation of the Region and IDFM in the PAM 77 system for €3M in 2020 and the participation of families in school meals for €4.8M. In 2020, an exceptional contribution of €0.5M was paid by the CNSA to finance COVID premiums, which completed the contribution provided by the framework agreement (€0,2M). This item also included FSE contributions (€2M), as well as payments from the Local Integration and Employment Plans (€0,6M). We highlight that all of the contributions received by the Department for environmental protection (water, sanitation, watercourses, sustainable development, departmental laboratory) amounted to almost €1M in 2020.

- Other revenues:



In 2020, the item of other revenues increased by 35.6%, from €19.9M in 2019 to €27.0M in 2020.

This strong growth is explained by the increase in the amount of exceptional income of €10.7M and in the amount of recoveries on social assistance expenditure of €10.4M, while domain income decreased by -€1.1M to €5.1M.

Financial income amounted to €0,3M in 2020, against €0,2M in 2019.

Lastly, the item of write-backs of provisions amounted to €0,5M in 2020. This consisted of the write-back of the provision established to deal with an exceptional situation, in this case, the COVID-19 health crisis, by way of supporting the SDIS.

Change in investment revenue from the 2019 CA to the 2020 CA

The investment revenues for 2020 amounted to **€151.6M** (compared to **€105.3M** in 2019), with the following breakdown:

Type of revenue	2019 CA	2020 CA	% change
VAT compensation fund	20,005,115	23,065,346	15.3%
Departmental secondary school equipment grant	6,860,204	6,860,204	0.0%
Global equipment grant	1,079,868	-	NS
DSID	163,412	-	NS
Subsidies and holdings	30,243,130	36,536,509	20.8%
Other revenue (speed camera fines, financial receivables, etc.)	1,899,275	1,796,166	-5.4%
Total final investment revenues	**60,251,003**	**68,258,225**	**13.3%**
Loan	45,000,000	83,365,475	85.3%
Total investment revenue (excluding debt restructuring transactions)	**105,251,003**	**151,623,700**	**44.1%**

The **Value-Added Tax Compensation Fund (FCTVA)** of **€23M** in 2020 was based on the eligible investment expenditure achieved in 2019, the amount of which increased compared to the figure for 2018 (€140.6M in 2019 and €121.9M in 2018).

While the amount of the **Departmental Allocation for Equipment for Secondary schools (DDEC)** was frozen **(€6.9M)**, the Global Equipment Allocation **(DGE)** disappeared in 2020. Created from 2019 onwards to replace the global equipment allocation, the **Allocation for Support of Departmental Investments** (DSID) is intended to support departmental investment projects and is received as the adopted investment operations are executed. No advance or down payment could be requested for this purpose in 2020.

Amounting to **€36.5M** in 2020 against **€30.2M** in 2019, the **subsidies** received increased. This increase was due to the **€29.9M** contribution from the Interdepartmental Solidarity Fund for Investment (FS2I). Most of the other grants received were for road investments for an amount of **€4.1M** and for transport investments (for an amount of **€1.6M**).

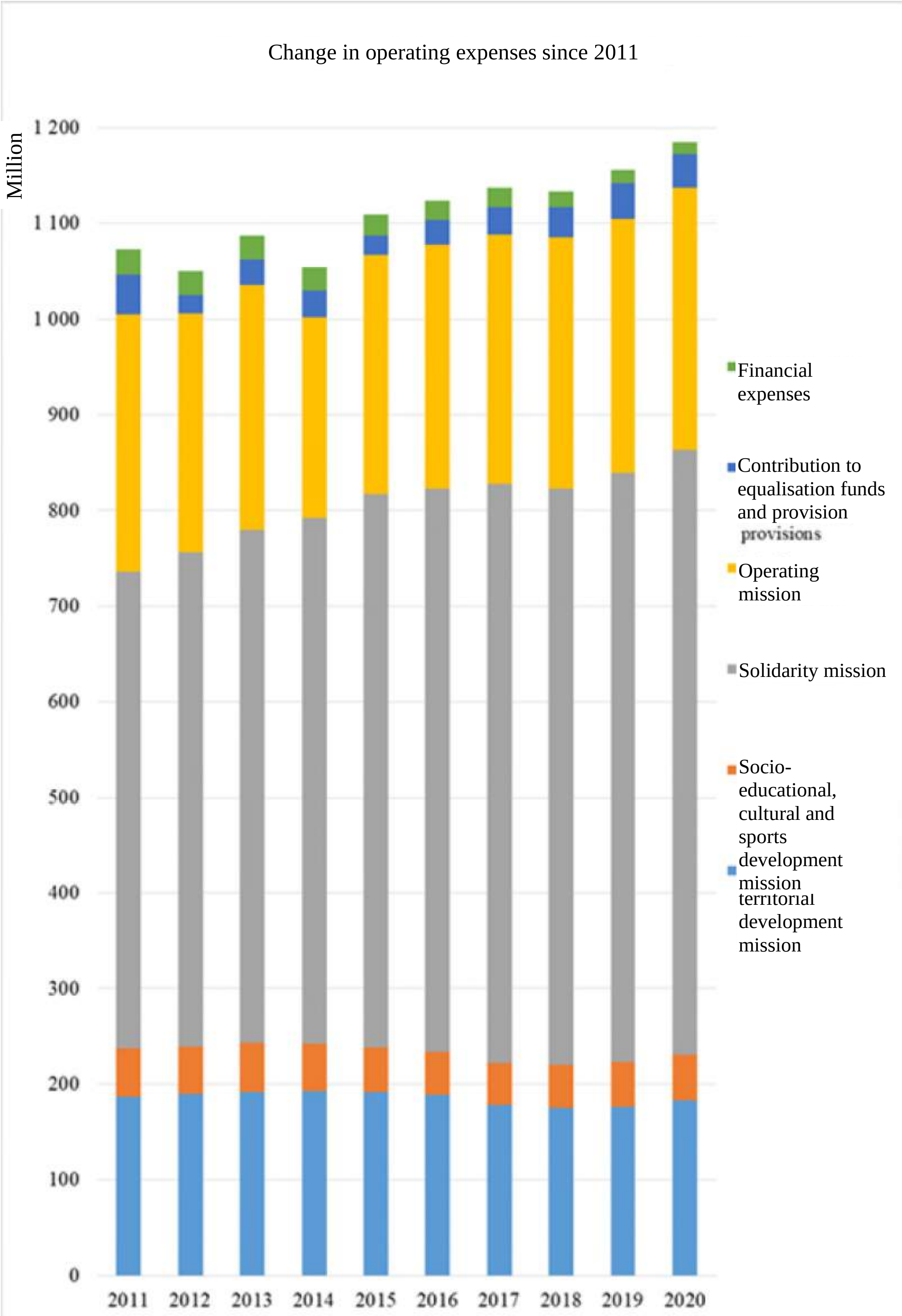
The item of other revenues amounts to **€1.8M** in 2020 and essentially consists of the proceeds of speed camera fines (**€0,7M**), receivables held for advances by way of loan guarantees (**€0,1M**), the repayment of advances on works and the continuation of repayments obtained on loans or reimbursements of subsidies paid.

In 2020, borrowing rose 85.3%, to a volume of **€83.4M** compared to **€45M** in 2019.

Change in operating expenses excluding financial costs from the 2019 CA to the 2020 CA

In total, operating expenses stood at **€1,137.4M** in 2020 compared to **€1,104.9M** in 2019. They increased by **+€32.5M**, i.e. **+2.9%** in terms of volume, and the execution ratio (ratio between appropriations made and the appropriations implemented) was **97.8%**. Excluding financial expenses (that dropped by 10.9%) and contributions to equalisation funds and provisions (decrease 6%), operating expenses increased by +3.4% between 2019 and 2020, i.e. +**€36.3M**. We may observe that expenditure on the "Solidarity" mission primarily explains this increase, as well as that of the "Functional" mission in the particular context of the health crisis linked to COVID.

Missions / Policies	**2019 CA**	**2020 Revenues**	**Change 2020/ 2019**	**Of which Expenses: 2020**
Territorial development	5,881,197	10,064,070	71.1%	0.9%
Protection of the environment	2,250,036	2,187,259	-2.8%	0.2%
Departmental roads	10,647,174	10,379,047	-2.5%	1.0%
Safety	107,458,542	112,861,486	5.0%	10.4%
Transport	50,411,011	47,046,594	-6.7%	4.3%
Equipment and territorial development mission	**176,647,960**	**182,538,456**	**3.3%**	**16.7%**
Culture and heritage	6,787,984	6,733,301	-0.8%	0.6%
Education and training	35,731,373	35,937,912	0.6%	3.3%
Youth, sports and leisure	4,188,765	5,947,205	42.0%	0.5%
Socio-educational, cultural and sports development mission	**46,708,123**	**48,618,417**	**4.1%**	**4.5%**
Childhood and family	172,763,616	166,924,445	-3.4%	15.3%
Housing	4,278,876	4,742,741	10.8%	0.4%
Integration	189,862,508	207,044,350	9.0%	19.0%
Seniors	94,257,667	94,658,877	0.4%	8.7%
Disabled persons	154,669,420	158,368,897	2.4%	14.5%
Public health	120,100	154,700	28.8%	0.0%
Solidarity mission	**615,952,188**	**631,894,010**	**2.6%**	**58.0%**
Piloting of departmental policies	1,419,714	1,795,578	26.5%	0.2%
Management of departmental action (excluding financial charges and reversals of taxes)	3,405,057	935,982	-72.5%	0.1%
General resources	17,149,542	31,484,344	83.6%	2.9%
Human Resources	192,337,038	192,666,447	0.2%	17.7%
Operating mission	**214,311,351**	**226,882,351**	**5.9%**	**20.8%**
Total operating expenses:	**1,053,619,621**	**1,089,933,234**	**3.4%**	**100.0%**
Contribution to the solidarity fund DMTO	13,601,144	-	-100.0%	
Transfer to the CVAE equalisation fund	360,861	2,215,956	514.1%	
Interdepartmental support fund repayment	5,320,160	-	NS	
Transfer to the equalisation fund DMTO	17,529,655	32,401,404	84.8%	
Total contributions to equalisation funds and provision	**36,811,820**	**34,617,360**	**-6.0%**	
Total management expenses	**1,090,431,441**	**1,124,550,594**	**3.1%**	
Financial expenses	14,436,054	12,862,432	-10.9%	
General Total	**1,104,867,496**	**1,137,413,026**	**2.9%**	



The **Solidarity mission**, with a realised amount of **€631.9M**, represented a little more than half of all operating expenditure, with **integration expenditure** in first place (**€207M, i.e. 18%** of expenditure). This sector included RSA allocations amounting to €190.7M. It should be noted that this expenditure increased by +8.85% in one year and related to 32,723 households at the end of December 2020. These are supplemented by several support mechanisms for disadvantaged people: subsidised employment, emergency funds, social and medical-social integration actions, integration measures for young people, measures for integration through economic activity or employment, etc. **Child** protection generated **€166.9M** of expenditure, mainly for accommodation of children in an institution or within a foster family (€139.3M). Protection and prevention expenditure for children at home represented €19.6M, supplemented by medical-social measures to support parenting of almost €8M (mainly in the form of subsidies for the operation of early childhood facilities). In the area of autonomy, measures in favour of **the elderly** amounted to **€94.7M**, including the Personal Autonomy Allowance (paid to 5,805 beneficiaries in institutions and 10,531 beneficiaries maintained at home). Again in the same sector, actions in favour of the **disabled** amounted to **€158.4M** in 2020, the essential part of which concerned accommodation costs (€101.3M) and payments of the Disability Compensation Allowance (€36.3M). One last item should be mentioned within the solidarity mission: **housing**, with a budget of **€4.7M**, consisting of a contribution to the Housing Solidarity Fund (€3.6M) and actions for integration through housing.

Measures in favour of t**territorial planning and development** generated **€182.5M** of operating expenditure in 2020, 60% of which was allocated to the field of safety and more particularly to our participation in the Departmental Fire and Rescue Service (**€110.2M**). The second major item concerned **transports,** with **€47M** split between school transports (particularly special routes and transport for disabled pupils and students) and public transports, with our participation in the *Ile-de-France-Mobilité* (IDFM) union, express lines, the *Pour Aider à la Mobilité* [To Aid Mobility]'s (PAM77) network, Améthyste transport tickets, etc. Also in the area of mobility, a budget of **€10.4M** was used for the maintenance of the departmental road **network** to supply raw materials for road repairs, road markings, winter maintenance and equipment maintenance (including all vehicles), or also for cleaning the network. **Territorial development** accounted for **€10.1M** of operating expenditure, mainly focused on promoting the territory (€5.9M). The *Seine-et-Marne Attractivité* [Seine-et-Marne Attractiveness] agency indeed received funding for this purpose, in accordance with the objectives and resources contract signed with the Department, for the performance of its public service missions. In addition, the health crisis experienced in 2020 required the creation of emergency funds, including the Departmental Emergency Fund for tourist offices, shops and cultural spaces for an amount of €1.7M and stronger support for private leisure activities (€0,4M), complemented by a support scheme for crafts and trade (€1M). Moreover, support for agriculture in Seine-et-Marne continued (€0,7M), particularly in the context of the agreement on objectives signed with the Chamber of Agriculture. The last sector to be mentioned within the planning mission is that of **environmental protection**, with a budget of **€2.2M** spent in 2020 mainly in favour of Sensitive Natural Areas (ENS) (€1.2M), either on direct expenditure for the departmental ENS or in aid for the maintenance of state-owned forests. The remainder of the budget was dedicated to the field of water and more particularly to the operation of the Departmental Analysis Laboratory.

In the **socio-educational, cultural and sporting development mission** **(€48.6M)**, more than 70% of operating expenditure concerned the **education and training** sector (€35.9M). At the forefront of these expenses, we must cite the Department's contribution to the budgets of public and private secondary schools (€15.6M), maintenance and major repairs to secondary school buildings (€7.3M), energy and utility expenses (€7.9M), as well as educational actions (€1.6M), IT expenses (€1.3M) and aid for school meals (€1.3M). The **cultural and heritage** sector benefited from a budget of **€6.3M**, distributed among cultural players: national stages, professional companies, artistic education, events and festivals. Moreover, the credits dedicated to the development of reading among the public (€0,6M) permitted an extension of the range of documents on offer, the conducting of various events in media libraries and the provision of training courses for local authority staff. The last item included in this mission concerned **sports and youth** policy, with a total budget of **€5.9M**. Under the heading of civilian sport (€1.7M), aid was provided to associations, multi-sport schools, departmental committees and sporting events. School sport was not forgotten (€0,3M) and took the form of allocations to secondary schools or subsidies to associations. In addition, in order to deal with the expected deficits in the management of the leisure centres affected by the health crisis, a provision of €2M was set aside for 2020. Lastly, we point out that a budget of €0,5M was dedicated to the youth sector, with the aim of facilitating and supporting the autonomy of young people: aid to youth and popular education associations, as well as to youth projects and initiatives.

Functional expenditure amounted to **€274.4M**, 70% of which was devoted to human resources **(€192.7M). General resources** required **€31.5M**, principally for logistics (supplies, maintenance of premises, vehicles, equipment and furniture), utilities, rent and taxes and duties. Expenditure on information systems amounted to €4.2M, consisting of maintenance and upkeep, telephone infrastructure costs and services and supplies. **Communication** expenditure **(€1.5M)** mainly financed the publication of "Seine et Marne Magazine" and other more targeted local offering circulars, as well as the purchase of space in the local press, the operation of the website, press relations and internal communication. In addition, we should also mention **financial expenses** amounting to **€12.9M.** The reduction in these costs between the 2019 and 2020 revenues was permitted by the financial context of 2020, which was characterised by rates remaining at a very low level, or which were even negative in the short term.

To conclude, it should be recalled that on the one hand, in 2020, the Department suffered a deduction of €32.4M in favour of the national fund for equalisation of transfer duties (FNPDMTO) and on the other, contributed €2.2M to the national fund for equalisation of the CVAE (FNPCVAE).

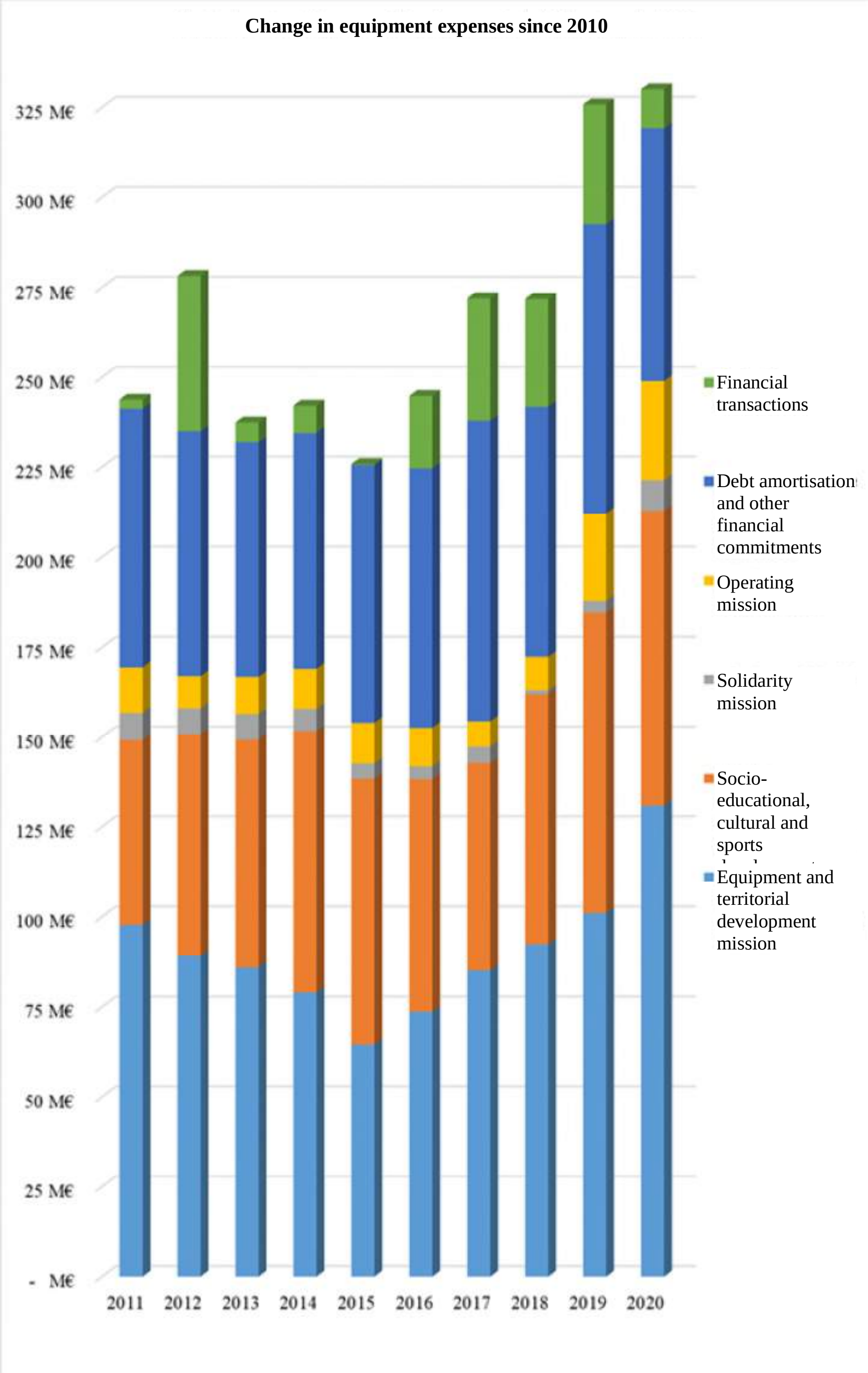
Change in investment expenses costs from the 2019 CA to the 2020 CA

Actual investment expenses amounted to €362.2M, a 5.1% increase compared to 2019 (€344.4M). For a consistent comparison of the two years, it is advisable to use only the balance between the expenses and the revenue made within the framework of revolving credits and debt refinancing operations. Once this correction is made, actual expenses for 2020 (excluding balanced financial transactions) amount to **€360M**, an amount higher than that of 2019 **(€325.8M)**. This **€360M** total included:

- proper capital expenditure, which amounted to **€249M** in 2020, the content of which is detailed in the following paragraph for each sector of intervention of the Department. This amount was €212.1M in the 2019 CA, i.e. a +17.4% increase; and
- financial transactions for a total of **€111M** in 2020, including **€56.6M** in long-term loan repayments, a **€13.6M** reduction in revolving loans, **€40.8M** in revolving loan repayments and **€90,000** in grant instalments.

The level of capital expenditure in 2020 increased sharply relative to 2019 **(+17.4%)**. This volume continued to be driven by the "Education and training" and "Departmental roads" policies. In 2020, capital expenditure on education and training represented 31.7% of the total capital expenditure, followed by investment in departmental roads (29.1%). The third sector was regional development, accounting for 14% of total expenditure.

Policies	2019 Revenues	2020 Revenues	Change 2020/2019	of which Expenses: 2020
Territorial development	28,824,464	34,779,812	20.7%	14.0%
Protection of the environment	5,402,966	10,398,346	92.5%	4.2%
Departmental roads	56,480,472	72,561,966	28.5%	29.1%
Safety	5,300,000	4,600,000	-13.2%	1.8%
Transport	5,050,298	8,654,697	71.4%	3.5%
Equipment and territorial development mission	**101,058,199**	**130,994,820**	**29.6%**	**52.6%**
Culture and heritage	1,429,803	1,105,988	-22.6%	0.4%
Education and training	81,649,875	78,821,507	-3.5%	31.7%
Youth, sports and leisure	405,895	1,910,167	370.6%	0.8%
Socio-educational, cultural and sports development mission	**83,485,573**	**81,837,662**	**-2.0%**	**32.9%**
Housing	104,494	5,102,544	4783.1%	2.0%
Seniors	2,354,750	2,949,750	25.3%	1.2%
Disabled persons	561,000	-	NS	0.0%
Public health	210,000	477,032	NS	0.2%
Solidarity mission	**3,230,244**	**8,529,326**	**164.0%**	**3.4%**
Piloting of departmental policies	304,942	369,581	21.2%	0.1%
Management of departmental action	13,139,000	13,238,233	NS	5.3%
General resources	10,756,044	13,901,254	29.2%	5.6%
Human resources	79,503	78,607	-1.1%	0.0%
Operating mission	**24,279,489**	**27,587,674**	**13.6%**	**11.1%**
Total capital expenditure	**212,053,506**	**248,949,483**	**17.4%**	**100.0%**
Debt amortisation and other financial commitments	80,383,878	70,233,456	-12.6%	
Financial transactions	33,365,475	40,814,685	22.3%	
Overall total (excluding neutral debt and deficit carried forward)	**325,802,859**	**359,997,624**	**10.5%**	



Expenditure for the **land use and development mission** accounted for **€131M**, i.e. more than half of capital expenditure in 2020. In the **roads** sector, expenditure rose sharply between 2019 and 2020: +28% or +€16M, to reach the amount of €72.6M. In addition to the usual expenditure on conservation, safety and innovation of the network, specific budgets were dedicated to the pursuit of large-scale projects, such as the link between Meaux and Roissy, the northern service of Melun, etc. **Local development** also witnessed a strong increase in 2020 (+20.7%) with an amount of €34.8M allocated mainly to our aid schemes for municipalities and their inter-municipal structures, on the one hand for their investments (€28.7M) and on the other, to measures in favour of agriculture (€5.3M). In the **environmental protection** sector (€10.4M), investment expenditure relating to water management more than doubled in 2019 and 2020: from €4.4M to €9.1M. This evolution was mainly focused on the drinking water sector, while actions in favour of sensitive natural areas (ENS) permitted new acquisitions, the continuation of the development of several sites and assistance for some fifteen organisations or municipalities with the financing of their own projects (acquisitions, developments, creation of hiking trails, etc.). With regard to **transports**, a budget of €8.7M was allocated, mainly for studies linked to the development of the TZEN line between Lieusaint and Melun, in addition to the budgets allocated to the electrification of the Paris-Troyes line and to the continuation of our participation in the development of multimodal carpooling stations and work on several railway hubs. The last item in the development mission concerns **safety**, for €4.6M, consisting of aid paid to the Departmental Fire and Rescue Service for its equipment expenses.

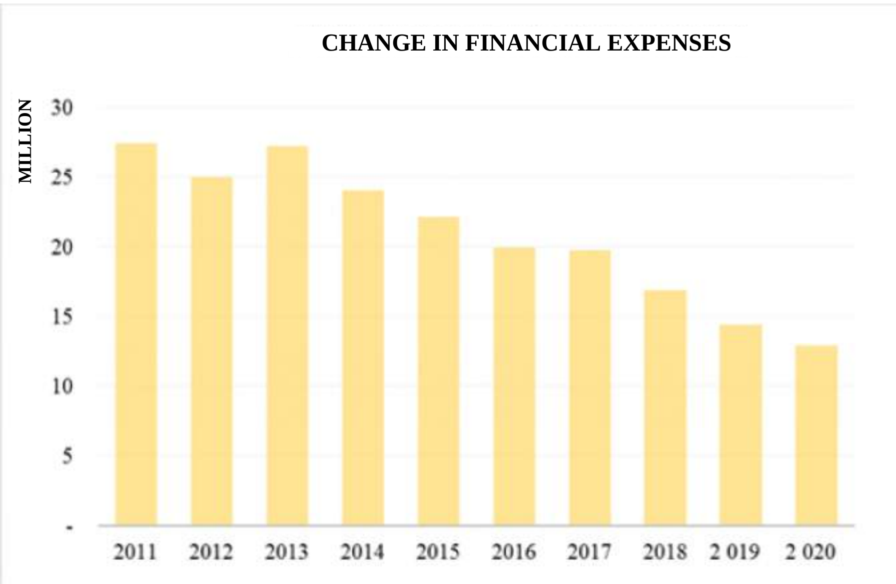
Expenditure on the **socio-educational, cultural and sporting development mission** represented **€81.8M**, of which over 90% was allocated to the **education** sector (€78.8M). Construction, extension and renovation of secondary schools generated €40.6M, while maintenance and major repairs required a budget of €30.2M, allocated mainly to works, the acquisition of removable buildings, energy improvements to buildings and heating, upgrades and shelters for half-board accommodation, and to works for making secondary schools accessible to people with reduced mobility. This expenditure linked to buildings was supplemented by budgets allocated to IT equipment, equipment and furniture for secondary schools and equipment for school catering. For lesser amounts, mention should also be made of the achievements in the area of **youth and sporting activities** (€1.9M) with three main items of expenditure in 2020: aid for projects linked to the 2024 Olympic Games, reimbursable advances in the context of the Emergency Fund for the Leisure Islands, but also traditional aid to municipalities and their groupings for the construction, extension and/or rehabilitation of sports facilities in support of secondary schools. The last area of intervention concerned **culture and heritage** (€1.1M) with aid for monumental heritage, antiques and works of art, construction or renovation work on media libraries or their furniture and IT equipment.

Capital expenditure of the **solidarity mission** amounted to **€8.5M** in 2020. In the area of **housing** (€5.1M), the Department supported the Public Housing Office of Seine-et-Marne in implementing its development plan, by acquiring equity securities for an amount of €5M. In addition, aid was provided to the private housing stock (departmental aid in the context of housing improvement allocations for 85 beneficiaries). Moreover, nine structures for the **elderly** received a total amount of €2.9M in aid, while in the area of **public health**, the 2020 budget made it possible to pay for the acquisition of three teleconsultation booths and their maintenance costs.

The capital expenditure necessary for the **operation of the institution** amounted to **€27.4M** in 2020, of which €13.9M was allocated to **general resources**. This included expenditure on information systems (infrastructure, acquisition of hardware and software and IT projects), work on departmental buildings, or logistical resources, such as vehicles, equipment and furniture, etc. In addition, the Department's contribution of €13.1M to the Interdepartmental Solidarity Investment Fund (FS2I) should be mentioned.

Departmental debt:

Financial expenses



In 2020, financial expenses for the Department amounted to **€12.9M**, broken down as follows:

- interest from long-term debt for **€12.5M**, i.e. a decrease of **€1.3M** compared to 2019;
- financial expenses linked to hedging instruments or swaps for **€0,8M**, i.e. a reduction of **- €0,1M** due to the gradual amortisation of the principal under these contracts; and
- a decrease in accrued interest not yet due (**-€0,5**), which fell from **€4.5M** in 2019 to **€4M** in 2020.

A decrease in financial expenses of €1.5M (excluding a one-time early repayment charge) between the 2019 CA and the 2020 CA was made possible by the financial context of 2020, which was characterised by the maintenance of interest rates at very low levels, and even negative levels in the short term.

The Department's active management of debt and cash thus enabled it to benefit from these favourable market conditions and to reduce the amount of financial expenses. This result also reflects the significant reduction in long-term debt outstanding, that decreased by 4.21% between 2019 and 2020.

In a context where both fixed and floating rates are at historically low levels, the strategy adopted by the Department in 2020 consisted of preserving the portion of its floating-rate loans outstanding (30.8% at the end of 2020) in order to benefit from the current levels of monetary indices, while slightly increasing the proportion of its fixed-rate loans under a two bond issues for a total aggregate amount of €30M bond issue.

In 2020, the average rate of the Department's long-term debt after hedging was 1.88% compared to 2% in 2019 and 2.11% in 20108.

Capital transactions relating to debt

Capital transactions relating to debt amounted to **€111M** in 2020, against **€113.7M** in 2019.

The Department's long-term debt repayments amounted to **€111M** in 2020, while the amount allocated in 2019 to the amortisation of this debt was **€113.7M**. This change **(-2.4%)** corresponds on the one hand to a temporary reduction in debt on five so-called "revolving" loans of €40.8M, and on the other hand, to changes from one year to the next in the amortisation profile of the Department's debt, i.e. in 2020, a contractual repayment of €70.2M.

Lastly, capital operations concerned the subsidies as annual instalments awarded by the Department to municipalities and public and private organisations. Expenditure linked to these subsidies in annual instalments amounted to **€9,000** in 2020 (**€11K** in 2019). These subsidies are being progressively phased out, since they are backed by loans which financed water supply work which the Departmental Assembly had decided to assume.

Financial balance for 2016-2020

The improvement in the financial balance of major items is shown in the following table through four indicators:

	Gross saving rate (1)	**Indebtedness (2)**	**Debt ratio**	**Capacity to deleverage**
2016 CA	13.7%	€849.7M	68%	5.0 years
2017 CA	14.2%	€785.6M	62%	4.3 years
2018 CA	15.5%	€726.1M	57%	3.6 years
2019 CA	17.0%	€657.4M	49%	2.9 years
2020 CA	15.9%	€629.7M	47%	2.9 years

This financial trend, which strengthens the Department's self-financing capacity, made it possible to continue to increase capital expenditure without increasing the community in accordance with the guidelines established by the departmental majority.

The Department's stock of long-term debt at 31/12/2020 stood at €629.7M, i.e. a decrease of €27.7M. The debt ratio (equal to the outstanding debt divided by actual operating revenues) amounts to 47% as of 31/12/2020.

The Department's capacity to deleverage (that is to say, the number of years the Department would need to repay all of its outstanding debt if its operating savings were entirely allocated to it), is equal to 2.9 years of gross savings. This level was maintained after several years of improvement (from 6.9 years in 2015 to 3.6 years in 2018).

3.3 The 2021 primary budget (BP 2021) and amending decisions for 2021:

The equilibria of the BP 2021, adopted by the Departmental Assembly on 17 December 2020, was as follows by total movements:

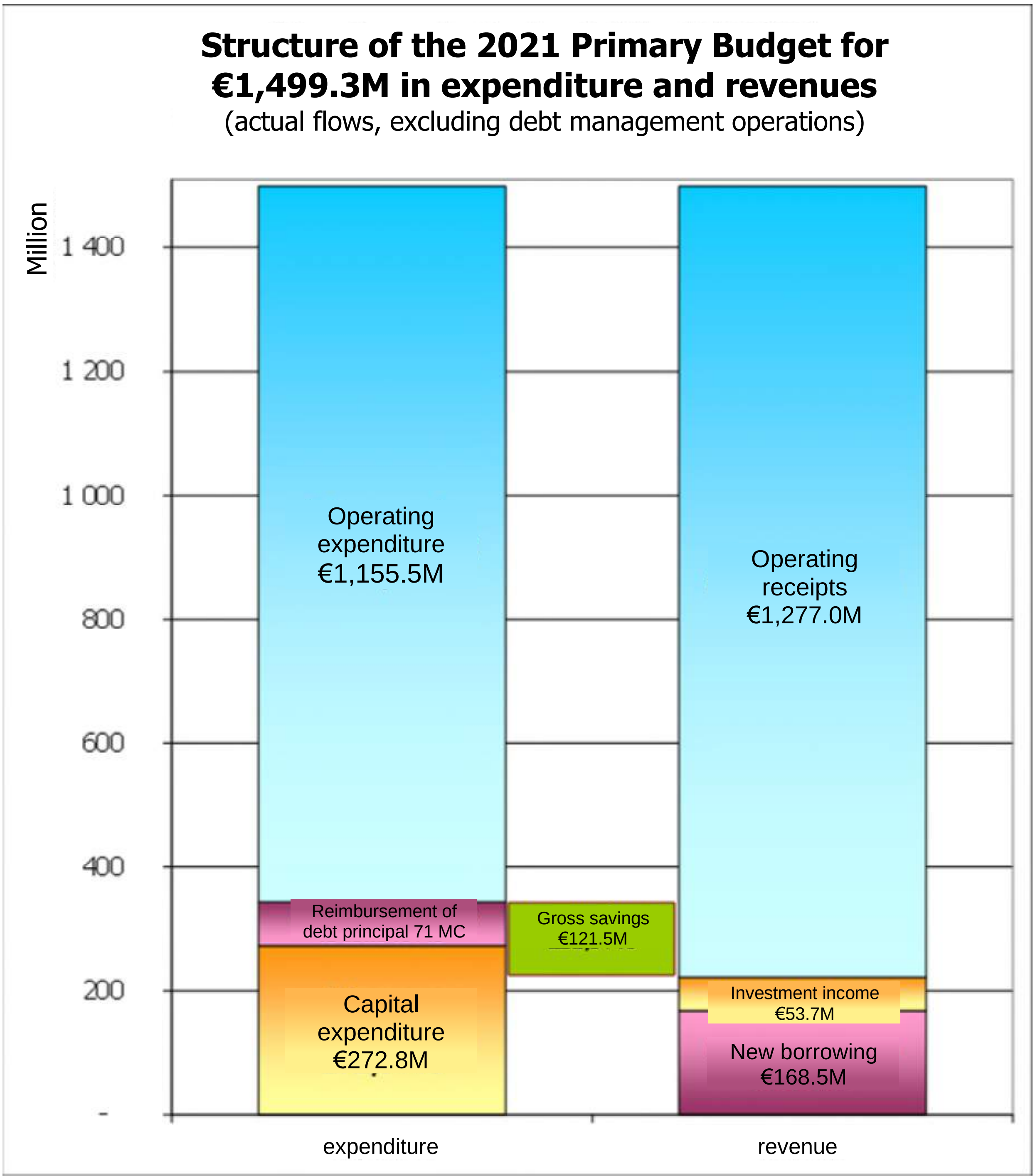
(In €M)	Expenses			Income		
	BP 2020	**BP 2021**	**Change**	**BP 2020**	**BP 2021**	**Change**
Operation						
Actual non-financial transactions	1,115.6	1,141.5	23%	1,269.3	1,277.0	0.6%
Actual financial transactions	15.0	14.0	-6.7%	0.1	0.0	-16.9%
Registered operations	160.0	130	-18.6%	21.2	83	-58.7%
Sub-total for operations	**1,290.6**	**1,285.8**	**-0.4%**	**1,290.6**	**1,285.8**	**-0.4%**
Investment						
Actual non-financial transactions	248.7	**272.8**	9.7%	51.4	53.7	4.4%
Actual financial transactions	70.0	71.0	14%	128.5	1685	313%
Debt management transactions	350.0	350.0	00%	350.0	350.0	0.0%
Operations related movements	161.7	149.4	-7.6%	300.5	270.9	-9.9%
Investments sub-total	**830.4**	**843.1**	**1.5%**	**830.4**	**843.1**	**1.5%**
General total	**2,121.0**	**2,128.9**	**0.4%**	**2,121.0**	**2,128.9**	**0.4%**

The Department's 2021 initial budget was balanced with total transactions amounting to **€2,129M**, but this approach must be corrected in order to understand the actual volume of the 2021 budget:

- by subtracting balanced expenditure and revenue items amounting to **€279.6M**. These were items intended for accounting purposes that did not correspond to any actual transfer of funds and that have no impact on the overall budget balance; and

- by excluding actual appropriation, but which were also balanced against expenditure and investment revenues and which were allocated, for an amount of **€350M**, to permitting transfers carried out during the year for long-term renewable loans held by the Department (repayments and drawdowns), as well as debt restructuring (prepayment, for example with refinancing for the same amount).

In this way, the balance of the Department's 2020 budget of nearly €1.5 billion can be broken down as follows:



As a reminder: two annexed budgets were also adopted by the Departmental Assembly for a reduced amount.

The original ancillary "GAIA service" budget was created in March 1997 to trace in the books the partnership instituted amongst 17 Departments around the archive management software named "GAIA", developed by the Seine-et-Marne Department.

The second ancillary "museum shops" budget logs the commercial activities of the departmental museum shops and the Château of Blandy-les-Tours.

The BP 2021:

The provisional 2021 budget submitted to the Departemental Assembly was balanced in expenditure and revenue (in actual transactions and excluding balanced debt management that stood at €350M) at €1,499.3M, a 3.5% increase with respect to the BP 2020.

In **operating expenses (€1,155.7M)**, management expenses stood at €1,141.7M (+2.3% relative to those of BP 2020). Financial expenses amounted to €14M (-6.7% compared to those of BP 2020). The drawdowns on taxation to supply the equalisation funds between the Departments amounted to €32.2M, -14.6% compared to those estimated in the BP 2020.

In **investment expenditure (€343.7M)**, capital expenditure amounted to €272.7M (an amount which increased by +9.6 % compared to the BP 2020) and financial expenditure (capital debt and subsidies in annual instalments) mobilised €71M of credits (a decrease of 1.4 % compared to the BP 2020).

The **operating revenue** which balanced these expenditure amounted to €1,277.2M in operating income, an increase of 0.6% compared to the BP 2020. Final investment revenues amounted to €**53.7M (up 4.4%** compared to the BP 2020) and the balancing loan at this stage stood at €**168.4M**, an increase of 31.1% compared to the borrowings appearing in the BP 2020.

The excess of actual operating revenue over actual operating expenditure amounts to €121.5M in the provisional 2021 budget.

These gross savings were primarily allocated to the repayment of debt capital and the payment of grant instalments, that were similar to financial commitments (€71M in BP 2021). The BP 2021 thus shows net savings of €50.5M, allocated to the self-financing of capital expenditure, compared to €68.8M in the BP 2020. This amount of net savings, as well as the final investment revenue, which amounted to €53.7M in the draft BP 2021, permitted the financing with €104.3M of definitive resources of the €272.8M in capital expenditure for 2021. The balance, i.e. €168.5 M, was financed through the loan. The capital expenditure financing structure included 38.2% from definitive resources and 61.8% from loans (compared to 48% and 52%, respectively, in the BP 2020).

The 2021 amending decisions:

In the unprecedented context of the health and economic crisis linked to COVID-19, which is persisting, a **first amending decision (DM1)** was taken at the beginning of March to complete the 2021 Budget, in order to continue to support the socio-economic players in Seine-et-Marne with a second resilience plan. The new **operating expenditure** amounted to a total of **€10M.** Moreover, in order to deal with the projected deficits of the Îles de Loisirs for the financial year 2020, the provision established in the second amending decision for 2020 was partially written back (for an amount of approximately €1.1M).

The budget equilibrium was restored by a decrease in savings of approximately -€8.9M and an increase in the loan for 2021 of the same amount.

The **second amending decision (DM2)** voted in May 2021 acted as a Supplementary Budget by integrating the results of the previous year. A key point was the increase in **real operating revenues** (excluding the available surplus carried forward from the previous year) of **+€30.1M** (+2.4% relative to the credits after DM1). The principal increase concerned direct taxation and more particularly, the CVAE. **Real operating expenses increased by €15.1M** (+1.3% relative to the appropriations after DM1), an increase marked by the necessary adjustment of RSA allocation credits in the impaired economic context.

In total, taking into account the write-back of the operating surplus (+€35.8M), **gross savings** increased by **+€50.8M.**

Under **investments**, excluding amounts carried forward balanced by the allocation of the previous year's result (€3.8M), the increase in **expenditure** amounted to €7.9M, while final revenue rose by +€11.6M, due to the adjustment of the expected FS2i contribution.

In this way, the budgetary **borrowing** requirement was reduced by **-€54.5M**, from €177.4M after DM1 to **€122.9M** (-30.7%).

The **third amending decision (DM3)** incorporated the strong growth in **operating revenues**: an upward adjustment of **€95.7M** was made: this was principally the result of the increase in receipts from transfer duties, the proceeds of which amounted to €310M (+€80M) and a significant volume of write-backs of provisions of €11.2M (including the technical write-back of the RSA provision of €9.6M).

Operating expenditure increased by **€8.7M** (i.e. **+0.7%** of the credits entered after DM2). The social sector only showed a very slight increase overall, resulting from contrasting entries with the decreases made on the APA and the reception of children in establishments and, conversely, a technical adjustment of the provision made for the RSA (offset by a write-back of the previously established provision). This stage was also marked by the constitution of several provisions, notably in anticipation of the impact of the expected deficits of the leisure centres (€1.5M) and of the establishments for children (€2.5M), the taking into account of doubtful debts (€1.4M) or also the coverage of a deficit in the adjustment account of the Long-Term Administrative Lease (BEA), which links us to the Vinci Group for the renovation and management of the gendarmerie barracks. Conversely, financial expenses decreased by €2M.

The difference between these adjustments in revenue **(+€95.7M)** and expenditure **(+€8.7M)** and the operating section generated **additional savings** of **€86.9M**, permitting the improvement of the internal financing of capital expenditure.

For its part, definitive investment income (excluding borrowing) was adjusted by +**€1.4M**, mainly in the form of subsidies, and investment expenditure by **€2.1M**, allowing the pace of actual expenditure to be accompanied.

The Department was able to reduce the borrowing requirement in order to finance capital expenditure in 2021 by **€86.1M**. The budgetary borrowing requirement for 2021 was thus reduced to **€36.8M**, compared with **€122.9M** after the DM2.

3.3.1 Actual operating revenues after DM3 2021 (in €Ms)

The start of 2021 was marked by the economic crisis caused, on the one hand, by the Covid-19 epidemic, and by the application by local authorities of the tax reform generated by the abolition of the housing tax on principal residences, on the other. In 2021, the Departments witnessed the replacement of their share of property tax on built properties (TFPB) by a share of value added tax (VAT). The structure of revenues after DM3 was as follows:

	BP 2021	DMs	Registered credits	% change
Direct Contributions	359,000,000	-359,000,000	0	-100.0%
CVAE	71,119,540	20,031,449	91,150,989	28.2%
Repayment of Region's share of CVAE	85,671,811	0	85,671,811	0.0%
FNGIR	17,925,606	0	17,925,606	0.0%
Solidarity fund for the departments of IDF	9,724,767	-149,802	9,574,965	-1.5%
Management fees of the TFPB	12,703,037	281,665	12,984,702	2.2%
IFER	3,316,457	107,292	3,423,749	3.2%
Direct taxes	**559,461,218**	**-338,729,396**	**220,731,822**	**-60.5%**
Transfer taxes	230,000,000	80,000,000	310,000,000	34.8%
Development Tax	14,700,000	2,300,000	17,000,000	15.6%
TSCA	150,459,549	1,314,767	151,774,316	0.9%
Electricity Tax	14,182,000	-182,000	14,000,000	-1.3%
TIPP	63,099,102	0	63,099,102	0.0%
Mining Royalty	3,000,000	-300,000	2,700,000	-10.0%
Residence Tax	800,000	-450,000	350,000	-56.3%
Repayment to equalisation fund: DMTO	14,600,000	726,359	15,326,359	5.0%
Compensatory fraction of the TFPB		359,743,626	359,743,626	NS
Indirect taxation	**490,840,651**	**443,152,752**	**933,993,403**	**90.3%**
DGF	90,387,062	402,456	90,789,518	0.4%
DGD	4,120,007	0	4,120,007	0.0%
Compensatory Allowances	21,786,439	-5,526	21,780,913	0.0%
o/w DCRTP	18,797,099	-5,320	18,791,779	0.0%
Mobilisation Depart. Integration Fund	8,700,000	0	8,700,000	0.0%
FCTVA	1,500,000	0	1,500,000	0.0%
Other State contributions	7,248,889	1,428,747	8,677,636	19.7%
STATE subtotal:	*133,742,397*	*1,825,677*	*135,568,074*	*1.4%*
CNSA contribution (APA 1)	17,350,000	0	17,350,000	0.0%
CNSA contribution (APA 2) ASV law	3,800,000	0	3,800,000	0.0%
CNSA contribution (APA 2) Contr. from financing entities	1,400,000	0	1,400,000	0.0%
CNSA contribution (PCH)	10,800,000	0	10,800,000	0.0%
CNSA subtotal:	*33,350,000*	*0*	*33,350,000*	*0.0%*
Other holdings	41,561,464	2,488,992	44,050,456	6.0%
Provisions and investments	**208,653,861**	**4,314,668**	**212,968,529**	**2.1%**
Domain and day-to-day management revenue	6,537,462	39,687	6,577,149	0.6%
Recovery of social aid expenses, undue payments	9,220,100	800,000	10,020,100	8.7%
Financial income	45,076	478,805	523,881	1062.2%
Extraordinary income	2,262,148	2,915,680	5,177,828	128.9%
Reversals of provisions		13,857,014	13,857,014	NS
Other revenue	**18,064,786**	**18,091,186**	**36,155,972**	**100.1%**
TOTAL REVENUES FOR THE FINANCIAL YEAR	**1,277,020,516**	**126,829,210**	**1,403,849,726**	**9.9%**
Existing surplus carried forward		35,817,065	35,817,065	NS
TOTAL ACTUAL OPERATING REVENUE	**1,277,020,516**	**162,646,275**	**1,439,666,791**	**12.7%**

Direct taxes: -€338,729,396 (- 60.5%/BP)

The essential part of the adjustment of the direct tax item corresponded to the transfer to indirect taxation of the proceeds of Value Added Tax (VAT). Offsetting the loss of the property tax on built properties in the context of the tax reform, the proceeds of VAT had been included in direct taxation in the budget while awaiting the creation of an indirect taxation account from 1 January 2021 onwards. This transfer produced a decrease of -€359,000,000 in direct taxation.

The notified 2021 proceeds from the Company value-added contribution (CVAE) was €91,150,989, compared to €71,119,540 recorded in the BP (+€20,031,449). It thus recorded a reduction of -0.7% relative to 2020, a sign of a low degree of recourse to modulation of the instalments.

Following the notification of its assessment by the tax authorities, the income from the lump sum tax on network companies (IFER) was also adjusted upwards slightly, by +€107,292, to €3,423,49.

The transfer of the Solidarity Fund for the Departments in Ile-de-France had to be adjusted by -€149,802 to reach the notified amount of €9,574,965.

Lastly, the transfer of income from TFPB management fees accruing to the Department of Seine-et-Marne must be reduced by - €107,292 in accordance with the final notified amount of €3,423,749.

Indirect taxation: +€443,152,752 (+90.3%/BP)

The principal adjustment to the indirect taxation item concerned the recording of Value Added Tax (VAT) proceeds as indirect taxation. The VAT forecast was also subject to an upward adjustment of €743,626 compared with the income forecast in the Budget, to reach the amount notified by the DDFIP of €359,743,626.

In view of the collection trend over the first nine months of the year, it is proposed to adjust the DMTO revenue upwards by +€80,000,000 to €310,000,000.

The proceeds of the Development Tax were adjusted by +€2,300,000, bringing the proceeds to €17,000,000 in the light of the trend in collections observed to date.

The forecast for the Special Tax on Insurance Agreements (TSCA) was adjusted upwards by +€1,314,767 to €151,774,316.

The forecast for the Departmental Tax on Final Electricity Consumption (TDCFE) was also revised downwards by -€182,000 to €14,000,000, in view of receipts in 2020 which, despite an increase in tariffs, witnessed a decrease in the quantities of electricity consumed.

The estimated proceeds from mining royalties were reduced by -€300,000 to €2,700,000.

The proceeds from the additional tax on tourist tax was estimated to have fallen by -€450,000 to €350,000. This decrease in revenue was the direct consequence of the various containments.

The transfer of the national equalisation fund on the DMTO was adjusted by -€726,359 to the notified amount of €15,326,359. This adjustment was the result of the Local Finance Committee's decision to provision €58M in the departmental guarantee fund for cyclical corrections. With an estimated withholding of €32,691,661, the Department was a net contributor of €17,365,302 on DMTO proceeds of €279.9M in 2020.

Allocations and contributions: +€ 4,314,668 (+ 2.1 %/BP)

Following the notification, the amount of the Global Operating Grant (DGF) was adjusted by -€402,456 and amounted to €90,789,518. This overall reduction impacted the lump-sum provision and the urban equalisation provision of the DGF.

The amount of compensatory allocations notified by the tax authorities amounted to €21,780,913, leading to an adjustment of -€5,526 relative to the estimates in the Budget (-€5,320 for the DCRTP and -€206 for the compensatory allowances).

Other State contributions formed the object of an upward adjustment of +€1,428,747, essentially corresponding to exceptional funding from the State for 2020 expenditure, in terms of care for unaccompanied minors (MNAs) entrusted to the departmental councils by a court decision (€438,000) and maintenance of the care of young adults by the Children's Social Welfare Agency until 31 December 2021 (€1,091,550). Conversely, a decrease in the revenue from MNAs, estimated at €550,000 in the BP, was proposed (-€290,000) based on the trend observed in the reception of MNAs over the first two quarters. Other State contributions were also proposed in the areas of human resources (+€81,000), archives (+€18,746) and local development (-€3,400).

The other contributions, totalling €2,488,992, essentially corresponded to adjustments to the contributions from the Region and IDFM for school transport and transport for disabled pupils and students (€2,203,033), and from the European Social Fund (+€132,000). In the area of environmental protection and water, the contributions from the municipalities and other organisations were increased by €108,168 overall. The following items were also adjusted: the registration of the CNSA for €1M to compensate for 70% of the expenditure entered at this same budgetary stage, in order to finance the salary increases provided in supplementary agreement 43 to the collective agreement of the Home Help Branch (BAD), -€700,000 for PAM77, -€146,000 for school transport, +€88,770 for the transport of handicapped pupils and students, -€14,100 for transport infrastructure. European social funds for integration and support for RSA beneficiaries decreased by -€270,000.

Other revenues: +€18,091,186 (+100.1%/BP)

Income from property and current management was adjusted by +€39,687, social aid recoveries and RSA overdue payments by +€800,000 and financial income by +€478,805.

Extraordinary income was adjusted upwards by +€2,915,680. The essential part of this, €2,700,000, was a technical transaction to allow for the audit of the 2020 expenditure transfers not settled in 2021.

Lastly, write-backs of provisions were adjusted to +€13,857,014, essentially by virtue of a technical correction of the allocation of the provision made to cover the undue RSA payments. This correction obliged us to write back the amount of the provision made to revenues (€9,569,109). In addition, there were the write-backs of provisions established to cover expenses entered at the time of DM3: extinguished debts of SAAD Nord 77 (€377,905) and the payment of a penalty relating to the failure to observe the law on equality between men and women (€90,000). Lastly, certain provisions became unnecessary (redefinition of the VAT rate for the departmental laboratory's activities, 2020 deficits for the leisure islands, and a dispute relating to the Coutevroult land development) for a total of €1,177,130.

3.3.2 Final investment revenue (excluding the balancing loan) after DM3

	BP 2021	DMs	Registered loans	% change
VAT compensation fund (FCTVA)	20,000,000	-	20,000,000	0.0%
Secondary School Equipment Fund (DDEC)	6,860,204	-	6,860,204	0.0%
Allocation for Support of Departmental Investments (DSID)	1,600,000	-500,000	1,100,000	-31.3%
Interdepartmental Solidarity and Investment Fund (FS2I)	15,000,000	8,998,515	23,998,515	60.0%
Subsidies and contributions	9,254,557	3,703,078	12,957,635	40.0%
Other revenue (assignments, speed camera fines, etc.)	984,742	779,363	1,764,105	79.1%
Total final investment revenues	**53,699,503**	**12,980,956**	**66,680,460**	**24.2%**

- **VAT compensation fund: €20,000,000**

The FCTVA forecast (**€20,000,000**) was based on an estimate of the level of expenditure in 2020, eligible for the fund. This amount was not known at the time of the preparation of the 2021 budget, since the 2020 BP had not yet been decided. The adjustment of this amount was made after receipt of the notification. Since this notification was received by us on 15 November 2021 for an amount of €24,859,396, the adjustment could not be included in the last amending decision.

- **Departmental Allocation for Equipment for Secondary schools: € 6,860,204**

By virtue of article L 3334-16 of the CGCT, the departmental grant for secondary schools has not changed since 2009. It remained frozen at its 2008 level. The amount entered in the 2021 Budget was therefore renewed at **€6,860,204**.

- **Departmental Investment Support Allocation: € 1,100,000**

The 2019 Finance Act transformed the DGE (global equipment allocation) of the departments into an allocation for supporting departmental investment. The credits of the DGE (€1.1M in the financial year 2019 and €3.1M in the financial year 2018) were thus replaced by the Departmental Investment Support Allocation), set for 2021 at €1.1M.

- **Interdepartmental Solidarity and Investment Fund: €23,998,515**

By its decision of 26 January 2021, the FS2I Board of Directors set the amount of investment grant payments to be distributed among the member Departments. Seine-et-Marne received €24M, i.e. 17.1% of the total amount of the Fund for 2021 (€140.6M). In return, its contribution amounted to €16M. As a prudent measure, the expenditure and revenue had been set at €15m when the 2021 BP was voted.

- **Subsidies and contributions: € 12,957,635**

These subsidies essentially derived from the Region (**€11,644,701**) but also from the State, municipalities and other groups of local authorities. They were distributed over various areas of departmental intervention, primarily roads **(€7,141,881)** and transports **(€5,326,640)**. The balance related to the sectors of culture (**€385,000**), environmental protection (**€90,000**), human resources (**€12,410**) and territorial development (**€1,704**).

- **Other income: € 1,764,105**

These included the income linked to the proceeds of automatic road safety camera fines (**€700,000**), forecasts of the usual disposals of movable and immovable property (**€616,015**) carried out in the operating section, but also recoveries of receivables and financial assets (**€308,295**), donations and bequests (**€100,000**) and annulments of subsidies (**€39,795**).

3.3.3 Actual operating expenses after DM3

In addition to the regulatory presentation by "nature" chapter, the Department of Seine-et-Marne adopted a management breakdown (missions, policies) enabling it to carry out more detailed management analyses and monitoring. This process, which aimed to improve the legibility of the Department's action, also promoted better coordination between the budget and the Seine-et-Marne Department's objectives.

Actual operating expenses, after DM3, thus amounted to €1,189,342,158, i.e. an increase of + €33,845,635 in additional payment appropriations, broken down as follows:

Missions / Policies	BP 2021	DMs	Credits voted, o/w transfers	Change
Territorial development	5,919,175	4,804,712	10,723,278	81.2%
Protection of the environment	3,182,921	33,483	3,212,762	0.9%
Departmental roads	10,330,120	302,299	10,554,239	2.2%
Safety	111,322,600	8,808,000	120,072,971	7.9%
Transport	53,891,079	637,229	54,012,263	0.2%
Equipment and territorial development mission	**184,645,895**	**14,585,724**	**198,575,513**	**7.5%**
Culture and heritage	7,554,944	-129,408	7,440,801	-1.5%
Education and training	38,966,925	-145,055	39,023,210	0.1%
Youth, sports and leisure	4,689,350	3,052,870	7,749,631	65.3%
Socio-educational, cultural and sports development mission	**51,211,219**	**2,778,408**	**54,213,642**	**5.9%**
Childhood and family	179,159,250	-5,591,000	172,346,170	-3.8%
Housing	4,751,227	22,522	4,773,749	0.5%
Integration	207,997,628	18,617,092	227,965,691	9.6%
Seniors	99,102,360	-2,004,419	96,921,978	-2.2%
Disabled persons	159,701,100	660,000	161,737,063	1.3%
Public health	270,000	-44,800	225,200	-16.6%
Solidarity mission	**650,981,565**	**11,659,395**	**663,969,850**	**2.0%**
Piloting of departmental policies	1,301,000	-4,144	1,296,856	-0.3%
Management of departmental action (excluding financial charges and reversals of taxes)	2,063,650	5,715,751	5,148,801	149.5%
General resources	19,505,384	-318,826	19,835,323	1.7%
Human Resources	199,577,809	585,009	201,247,853	0.8%
Operating mission	**222,447,843**	**5,977,790**	**227,528,834**	**2.3%**
Total operating expenses:	**1,109,286,523**	**35,001,316**	**1,144,287,838**	**3.2%**
Transfer to the CVAE equalisation fund	500,000	-167,341	332,659	-33.5%
Transfer to the DMTO equalisation fund	31,700,000	991,661	32,691,661	3.1%
Total contributions to equalisation funds and provision	**32,200,000**	**824,320**	**33,024,320**	**2.6%**
Total management expenses	**1,141,486,523**	**35,825,635**	**1,177,312,158**	**3.1%**

Financial expenses	14,010,000	-1,980,000	12,030,000	-14.1%
General Total	**1,155,496,523**	**33,845,635**	**1,189,342,158**	**2.9%**

The **Solidarity mission** itself represented more than half of operating expenditure, with a forecast amount for 2021 of **€664M**, of which more than 30% concerning **integration costs (€228M).** Indeed, as the Department's core competences, these latter items principally consisted of RSA allowances (€209.6M). Heavily impacted by the health crisis, these budgets had to be supplemented twice in order to add €9M to the voted provisions of the BP. In addition to these allocations, the Department financed integration measures for RSA beneficiaries, but also for the most disadvantaged people (Departmental Solidarity Fund, local integration plans, mechanisms for young people, etc.). The second item of social expenditure concerns the **autonomy of disabled people** on the one hand (€161.7M) and **elderly people** on the other (€96.9M), notably with personal allowances: the Compensatory Disability Benefit (€37.2M) and the Personal Autonomy Allowance (€67.1M). The budgets allocated to **children and families (€172.3M)** guaranteed cover for accommodation for children entrusted to the ASE (€142.6M), protection and prevention measures for children in their own homes (€22.3M), as well as medico-social prevention measures and assistance for parents (€7.4M). The remaining appropriations concerned measures in favour of **housing** (**€4.8M** in particular to finance integration actions through housing or the *Fonds Solidarité Logement* [Housing Solidarity Fund] which finances loans or aid for accessing or remaining in housing or for paying energy bills) and in favour of **health** (**€0,2M** with a view to combating medical desertification by assisting students and university health centres and by deploying telemedicine booths in the Seine-et-Marne region).

In 2021, the **Land Use and Development mission** was allocated **€198.6M** in payment provisions, 60% of which were devoted to safety (**€120.1M**) and more specifically to the department's participation in the Departmental Fire and Rescue Service (€111.2M), the management of gendarmerie buildings and road safety measures. The **transport** sector represented a budget of €54M divided into two items, one of €32.1M dedicated to school transport (special routes and transport for disabled pupils and students) and a second of €21.8M financing our participation in Ile-de-France Mobilités (€8.4M), the PAM77 network (€6.4M), Améthyste transport tickets (€3.3M) or express lines and transport on demand. In addition, **territorial development** measures had a budget of **€10.7M** in 2021, which made it possible to provide an departmental emergency support fund to deal with the COVID-19 crisis, to promote the agricultural sector in partnership with the Chamber of Agriculture and to conduct actions for strengthening the attractiveness of the territory. Operating expenses relating to **road** management for 2021 were estimated at **€10.6M** for the maintenance of the existing network and associated green spaces. The last item in this development mission concerned **environmental protection**, for **€3.2M**, divided between the maintenance of sensitive natural areas, the deployment of the support service programme for energy renovation or also the maintenance of watercourses and the expenses of the departmental analysis laboratory.

The requirements of the **Socio-Educational, Cultural and Sporting Development mission** were estimated at **€54.2M** for 2021, of which more than 70% related to the e**ducation and training** sector **(€39M).** Secondary school life represented €27.3M and included contributions to the operation of the budgets of public and private secondary schools (€25.4M), as well as their equipment, in terms of furniture, materials and IT. Building maintenance required a budget of €9M, while aid for school catering and educational projects was estimated at €2.7M. A last budget was allocated to higher education (€0,1M) to show our support for youth guidance and training organisations and the foundation of the Paris-Est-Créteil University. Aid for **youth, sport and leisure** activities received allocations of **€7.7M**. This year, 2021, marked by the health crisis, witnessed low attendance at leisure centres. A departmental emergency fund to support the managers of leisure centres was established, as was a provision to cover the more than likely deficits for a total amount of €2.6M. Two other measures were also voted within the framework of the DM1 and the second resilience plan: the Rental Assistance Fund for sports facilities and the Departmental Support Fund for maintaining sports employment (for a total amount of €0,5M). The remainder of the expenditure related to recurrent measures, such as aid for civil sport (associations, departmental committees, multi-sports schools) for €2M, for high level sport (€1M) or for school sport, notably supporting swimming at school. Aid for **culture and heritage** represented a budget of **€7.4M**, of which €4.8M was allocated to cultural development and more specifically to our partner Act'Art, to artistic teaching associations, to professional artistic companies, to national theatres and venues, etc. Aid for heritage was estimated at €0,9M for 2021, broken down into subsidies to local authorities and also into actions to enhance the value of the Château de Blandy-les-Tours. Moreover, three other budgets have been opened for departmental museums (€0,8M), public reading (€0,6M) and archives (€0,3M).

The **functional mission** covered all support services for a total of **€227.5M**, of which almost 90% related to human resources **(€201.2M).** This budget is mainly broken down into payroll and replacement (€191.5M), social action measures (€5.4M), training (€1.8M), insurance (€1.2M) and travel expenses (€0,8M). **General resources** were estimated at **€19.8M** for 2021 for financing building maintenance, logistics (equipment, furniture, vehicles), property management (rent, security, energy, taxes), insurance and IT-related expenses. The rest of the provisions allocated to this mission relate to the coordination of **departmental action and the management of departmental policies** for a total amount of **€6.4M**. These cross-cutting expenses related to communication costs, studies, documentation or financial operations, such as unforeseen expenses or provisions.

The contributions to the **equalisation funds** were also adjusted during the budgetary stages. In this way, the levy in favour of the national DMTO equalisation fund was adjusted by +€991,661 to reach the notified amount of €32,691,661 and the levy in favour of the national CVAE equalisation fund by -€289,746.

Financial expenses were allocated an overall budget of **€12,030,000** in 2021. It consisted of three items. Interest on **long-term borrowings** was adjusted downwards during the financial year 2021, notably on account of the excellent financing conditions for the new contracted loans and bonds. The final forecast was established as €11,322,000. The recording of €698,000 for **financial charges relating to a hedging instrument** should be seen in the context of the expected income from hedging instruments (€463,221.84). By contracting the expenditure and income on swaps, we arrived at a "net" charge of €234,778.16 on this item. Lastly, we should mention the forecast of €10,000 for interest on accrued interest not yet due.

3.3.4 Actual operating expenses after DM3

Actual operating expenses after DM3 thus amounted to €286,663,095, i.e. an increase of €13,908,080 in additional payment appropriations to the Budget, with the following composition:

Missions / Policies	BP 2021	DM	Credits voted, o/w transfers	change
Territorial development	34,295,325	4,649,073	37,597,596	9.6%
Protection of the environment	13,161,808	4,461,312	17,620,195	33.9%
Departmental roads	63,897,582	216,320	69,366,794	8.6%
Safety	4,700,000	-15,000	4,685,000	-0.3%
Transport	11,298,209	-2,495,318	5,839,726	-48.3%
1 - Equipment and development of the territory mission	**127,352,924**	**6,816,386**	**135,109,311**	**6.1%**
Culture and heritage	2,629,187	1,483,282	4,119,758	56.7%
Education and training	92,129,811	6,298,942	98,536,611	7.0%
Youth, sports and leisure	3,648,603	-811,170	2,837,433	-22.2%
2 - Socio-educational, cultural and sports development mission	**98,407,601**	**6,971,054**	**105,493,802**	**7.2%**
Housing	276,143	112,563	388,715	40.8%
Seniors	4,727,550	-1,087,350	3,640,200	-23.0%
Disabled persons	446,250	-446,250	0	-100.0%
Public health	500,000	207,107	707,107	41.4%
3 - Solidarity mission	**5,949,943**	**-1,213,931**	**4,736,022**	**-20.4%**
Piloting of departmental policies	71,141	39,869	111,011	56.0%
Management of departmental action	16,000,000	3,016,505	18,046,495	12.8%
General resources	24,868,907	-1,723,862	23,059,897	-7.3%
Human Resources	104,500	2,058	106,558	2.0%
4 - Operating mission	**41,044,548**	**1,334,570**	**41,323,960**	**0.7%**
Total capital expenditure	**272,755,016**	**13,908,080**	**286,663,095**	**5.1%**

The **Territorial Planning and Development mission** accounted for almost half of the equipment appropriations approved for 2021 for a total amount of **€135.1M**, with an essential share assigned to the **roads** sector, for which a budget of **€69.4M** was planned. **Territorial development**, the objective of our contractual policy, had a provisional budget of **€37.6M.** It was split between several schemes for local authorities and their groupings and for the development of the digital network throughout the entire Seine-et-Marne region. **Environmental protection (€17.6M)** aims to improve water quality in three areas: sanitation, drinking water and the maintenance of watercourses; but also to safeguard and maintain sensitive natural areas with a view to opening these to the public. The need for **transport** infrastructure provisions was estimated at **€5.8M**, mainly to continue the implementation of the TZEN exclusive lane public transport project between Lieusaint and Melun, as well as the development of railway stations and multi-modal carpooling stations. The last sector to mention is that of safety, for which credits were opened for **€4.7M**, enabling the payment of an equipment grant to the Departmental Fire and Rescue Service and the financing of a support fund for the equipment of Approved Civil Safety Associations.

The bulk of the appropriations for the Socio-Educational, **Cultural and Sports Development mission (€105.5M)** was allocated to **education (€98.5M)** and more specifically, to secondary school buildings (€86.2M). Almost 70% of this amount was allocated to new buildings, extensions and renovations, while the remaining 30% financed maintenance, major repairs, safety or compliance upgrades or energy improvement costs. The share of IT expenditure for secondary schools represented €7.5M to cover hardware, software, cabling and digital work spaces. Also concerning secondary schools, we must also add expenditure on equipment, furniture and equipment for half-board accommodation (€3.2M), as well as equipment subsidies paid to private secondary schools (€0,4M). A last budget was opened for higher education and research (€1.1M) to show our support for the creation of a university campus in Fontainebleau to bring together health and paramedical training. The 2021, the **culture and heritage** sector was estimated at **€4.1M**, with slightly more than half allocated to heritage, in addition to the actions carried out for the development and enhancement of the departmental museums, public reading and teaching of the arts. In addition, a budget of **€2.8M** financed aid to sporting activities. This was split into two main items: support for projects linked to the Olympic Games in Paris in 2024 and that linked to the renewal of communal sports facilities used by schoolchildren.

The **Solidarity** mission had a provisional budget of **€4.7M** in investment credits, of which **€3.6M** reserved for ten or so facilities for the elderly, both for the creation of new places and for their furnishings. Among the lesser amounts, mention should be made of **€0,4M** in **housing** aid (for the renovation or improvement of housing, particularly for the elderly or disabled) and **€0,7M** for the **health** sector, and more specifically the acquisition of new teleconsultation booths.

The essential part of capital expenditure of the **Functional mission** **(€41.3M)** related to **general resources (€23.1M)**, of which a little more than a third was allocated to work on departmental buildings, with a second third financing IT expenditure (studies, software, infrastructure, equipment). The remainder of the expenditure on general resources was split between logistics (vehicles, equipment and furniture) and the management of the property asset base. Mention should also be made of the credits granted to **financial transactions** (excluding debt) for an amount of **€18M**, devoted to our participation in the Interdepartmental Solidarity and Investment Fund of €16M and to a reserve of €2M for unscheduled expenses. The last item of expenditure related to **human resources (€0,1M)** to permit the acquisition of equipment or for carrying out work to adapt certain workstations so as to facilitate access for disabled employees or to improve the working conditions of staff.

Investment expenditure remaining to be realised in AP

Policy	Remaining to be realised on 31 Dec 2021	share of total
Territorial development	80,106,764	14.1%
Protection of the environment	16,554,424	2.9%
Departmental roads	128,516,373	22.7%
Transport	57,061,189	10.1%
1 - Territorial planning and development mission	**282,238,749**	**49.8%**
Culture and heritage	4,205,693	0.7%
Education and training	206,683,343	36.5%
Youth, sports and leisure	3,867,388	0.7%
2 - Socio-educational, cultural and sports development mission	**214,756,424**	**37.9%**
Housing	515,480	0.1%
Seniors	4,985,200	0.9%
Disabled persons	1,667,490	0.3%
3 - Solidarity mission	**7,168,170**	**1.3%**
General resources	62,605,748	11.0%
4 - Operating mission	**62,605,748**	**11.0%**

Sum:	566,769,091	100.0%

Half of the credits remaining to be realised related to **territorial planning and development**, with an essential part dedicated to the **road sector (€128.5M)**, including €27.2M for the link between Meaux and Roissy, €14.3M for the Guignes bypass on the RD619, €8.3M for the doubling and upgrading of the RD231 at Marne La Vallée, €8.3M for the Chelles South link and €6M for improvements to road safety. The various **local development** schemes for communities and their grouping structures represent a multi-year commitment of **€80.1M** (including €6.6M for the digital network), while the provisions allocated to **transport** amounted to **€57.1M** (including €37.4M for the TZEN network). **Environmental protection** had a total budget of €16.6M, almost 90% of which was allocated to the water sector (sanitation and drinking water).

Multi-year commitments in favour of **socio-educational, cultural and sporting development** amounted to **€214.7M**, and more particularly **education** policy **(€206.7M)**, where almost €200M remains to be spent on work on secondary school buildings, including €80.5M for new buildings and reconstructions, €42.1M for the renovation of half-board accommodation and €10.8M for extensions. Moreover, also in the area of secondary schools, nearly €65M will finance maintenance and major repairs (programmed work, accessibility for people with reduced mobility, safety work, studies, etc.). The remainder of the provisions to be realised concerned furniture and IT equipment (€5.8M) and higher education (€2M). The last two items: **culture and heritage** on the one hand, and **sport and youth** on the other, had provisions of **€4.2M** and **€3.9M** respectively remaining to be implemented.

By way of the **functional mission**, a budget of **€62.5M** was allocated to 90% of the works on departmental buildings, with two major operations: the extension of the archives and the replacement of the air handling units for €19.2M and the reconstruction of the Departmental Solidarity House in Coulommiers (€12.8M).

3.3.5 Debt after DM3

Operating expenses: Financial charges:

Code Article	Article description	BP 2021	DMs	Credits voted, o/w transfers
66111	Interest paid at maturity	13,340,000	-2,000,000	11,322,000
66112	Interest - ICNE Allocation	10,000	0	10,000
6688	Others	660,000	20,000	698,000
	Chapter 66	**14,010,000**	**-1,980,000**	**12,030,000**

Investment expenditure: amortisation of debt

Article code	Article description	BP 2021	DMs	Credits voted, o/w transfers
16311		26,000,000	0	26,000,000
1641	Loans in euros	31,200,000	-150,000	31,050,000
16441	Loans with an option to draw on cash - Transactions related to borrowing	13,800,000	-50,000	13,750,000
16449	Loans with an option to draw on cash - Transactions related to the option of drawing cash	250,000,000	0	250,000,000
166	Debt refinancing	100,000,000	0	100,000,000
16874	Debts with municipalities and intermunicipal structures	3,559	0	3,559
	Chapter 16	**421,003,559**	**-200,000**	**420,803,559**

Investment revenues: borrowings

Article code	Article description	BP 2021	DMs	Credits voted, o/w transfers
16311	Mandatory borrowings reimbursable at maturity	98,200,000	-77,530,191	20,669,809
1641	Loans in euros	70,335,078	-54,232,037	16,103,042
16449	Loans with an option to draw on cash - Transactions related to the option of drawing cash	250,000,000	0	250,000,000
166	Debt refinancing	100,000,000	0	100,000,000
	Chapter 16	**518,535,078**	**-131,762,227**	**386,772,851**

3.3.6 The financial equilibria of the 2021 budget

	BP 2021	DMs	Voted credits
Actual management income	1,274,728,492	109,578,286	1,384,306,779
Actual management expenses	1,109,074,473	10,765,315	1,119,698,942
Profit	165,654,019	98,812,972	264,607,836
Financial income	45,076	478,805	523,881
Financial expenses	14,010,000	-1,980,000	12,030,000
Financial result	-13,964,924	2,458,805	-11,506,119
Extraordinary income	2,246,948	2,915,105	5,162,053
Extraordinary expenses	212,050	1,751,646	2,104,541
Extraordinary results	2,034,898	1,163,459	3,057,512
Reversals of provisions	0	13,857,014	13,857,014
Provisions	0	22,484,355	22,484,355
Balance of provisions	0	-8,627,341	-8,627,341
Tax withholdings	32,200,000	824,320	33,024,320
Write-back of excess amount	0	35,817,065	35,817,065
Gross cash flow	**121,523,993**	**128,800,640**	**250,324,633**
Gross savings rate in %	*9.5%*	*79.2%*	*17.4%*
Repayment of principal	71,000,000	-200,000	70,800,000
Net cash flow	**50,523,993**	**129,000,640**	**179,524,633**
Net savings rate in %	*4.0%*	*79.3%*	*12.5%*
Actual investment expenses and annuity subsidies	272,758,575	14,022,729	286,781,303
Definitive investment income	53,699,503	12,980,956	66,680,460
Financing of investment carry-forwards		3,803,360	3,803,360
Loans	**168,535,078**	**-131,762,227**	**36,772,851**

3.4 The 2022 primary budget (BP 2022):

The 2022 primary budget submitted to the Departmental Assembly balances expenditure and revenue (in real terms and excluding balanced debt management operations which amounted to €350M) at €1,559,878,606, an increase of +4% over the BP 2021.

Within operating expenses (€ 1,189,751,260), management expenses amounted to € 1,177,741,260 (+3.2% over those of the BP 2021). Financial expenses amounted to € 12,010,000 (-14.3% relative to those of BP 2021). Lastly, tax deductions to finance the equalisation funds between the Departments amounted to € 36,675,477, with an increase of 13.9% relative to those estimated in the BP 2021.

Under investment expenditures (€ 370,127,346), capital expenditure amounted to € 298,027,346 (with an increase of 9.3% relative to the BP 2021) and financial expenses (capital debts and subsidies in annuities) required € 72,100,000 of funds (with an increase of 1.5% relative to the BP 2021).

The revenues which balance these expenditures amounted to € 1,346,597,570 in operating income, an increase of 5.4% relative to the BP 2021. Final investment revenues were € 54,081,361 (+0.7% compared to the BP 2021) and the balancing loan at this stage stands at €117,326,956, an increase of 5.5% compared to the loan shown in the BP 2021.

This budget is in line with the budget guidelines document, which follows a clear line for the coming year, namely healthy and balanced management, while taking into account the priority projects of the new Departmental Executive.

If our level of savings was presented as impaired at the time of the vote on the BP 2021 under the effect of the economic and social consequences of the health crisis and the reform of local taxation, it has once again been reconstituted, driven in particular by the strong increase in transfer rights for valuable assets observed in the year 2021.

In terms of operating expenditure, vigilance is still required, notably with a new increase in social expenditure, mainly for integration and disability, but also in equalisation expenditure directly linked to the increase in the DMTOs.

The efforts already made in terms of investment are reaffirmed: in this way, the increase in our commitments in programme authorisations noted in the 2021 Budget (€299M, i.e. +11% compared to the 2020 Budget) continued to reach an unprecedented level of €311.3M (compared to an average of €205.2M between the BP 2015 and the BP 2021). The level of payment provisions logically followed the same trend, i.e. + 9% for a volume of €298M. New investments were launched, such as the construction of new secondary schools in Charny and Moussy, the initiation of studies for the resumption of national roads (RN4 and RN36), while others are continuing, such as structural road developments (notably the Meaux-Roissy link), or our commitments in terms of contractual policy.

The 2022 budget thus maintained very good financial results, once again recognised by the international rating agency Standards and Poors with a long-term rating of "AA" with a stable outlook, the highest rating for a local authority.

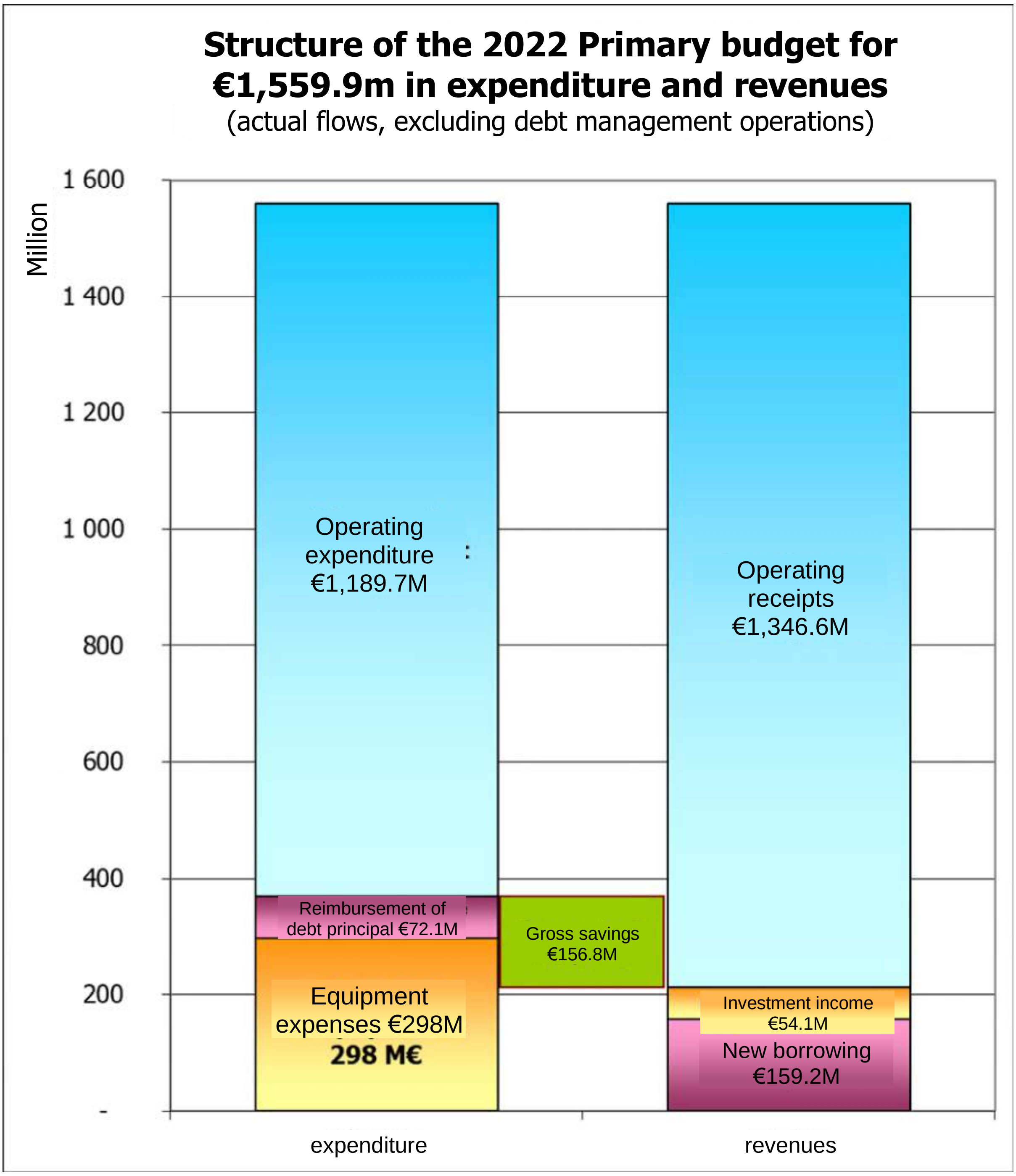
The balances of the BP 2022 are as follows by total movements:

	Expenses			**Income**		
(In €M)	**BP 2021**	**BP 2022**	**Change**	**BP 2021**	**BP 2022**	**Change**
Operation						
Actual non-financial transactions	1,141.5	1,177.7	3.2%	1,277.0	1,346.5	5.4%
Actual financial transactions	14.0	12.0	-14.3%	0.0	0.1	99.3%
Registered operations	130.3	179.0	37.4%	8.8	22.1	152.8%
Sub-total for operations	**1,285.8**	**1,368.7**	**6.5%**	**1,285.8**	**1,368.7**	**6.5%**
Investment						
Actual non-financial transactions	272.8	298.0	9.3%	53.7	53.9	0.4%
Actual financial transactions	71.0	72.1	1.5%	168.5	159.4	-5.4%
Debt management transactions	350.0	350.0	0.0%	350.0	350.0	0.0%
Accounting transfers	149.4	162.7	9.0%	270.9	319.6	18.0%
Investments sub-total	**843.1**	**882.9**	**4.7%**	**843.1**	**882.9**	**4.7%**
General total	**2,128.9**	**2,251.6**	**5.8%**	**2,128.9**	**2,251.6**	**5.8%**

It emerges from this that the Department's initial 2022 budget is balanced, with total transactions amounting to **€2,252M**, but this approach must be corrected in order to understand the actual volume of the 2022 budget:

- By subtracting balanced expenditure and revenue items amounting to **€341.7M**. These are provisions intended for accounting purposes that do not correspond to any actual transfer of funds and that have no impact on the overall budget balance; and
- Excluding real credits, but which were also balanced in terms of investment expenditure and revenue and which were intended, for an amount of €350M, to allow for the recording of movements during the year on long-term revolving loans held by the Department (repayments and mobilisations), as well as debt restructuring (repayment in advance, for example, with refinancing of the same amount).

In this way, the balance of the Department's 2022 budget of almost €1.56 billion may be summarised as follows:



The excess of actual operating revenue over actual operating expenditure amounted to **€156.8M** in the provisional 2022 budget.

These gross savings are primarily allocated to the repayment of debt capital and the payment of grant instalments, which are similar to financial commitments (**€72.1M** in the BP 2022). The BP 2022 thus shows net savings amounting to **€84.7M**, which are allocated to the self-financing of capital expenditure, against **€50.5M** in the BP 2021. This amount of net savings, as well as the final investment revenues, amounting to **€54.1M** in the draft BP 2022, can be used to finance **€138.8M** of the **€298M** of capital expenditure for 2022 with definitive resources. The balance, i.e. **€159.2M**, was financed through borrowings. The capital expenditure financing structure included 46.6% of definitive resources and 53.4% from loans (compared to 38% and 62%, respectively, in the BP 2021).

3.4.1 Actual operating revenues in the BP 2022 (in €M)

The year 2022 was marked by the effects and strong hazards of the economic crisis caused by the Covid-19 epidemic in 2020, but also by the economic recovery observed in 2021. It was also the second year of application, for local authorities, of the tax reform generated by the abolition of the housing tax on principal residences. In

2021, the Departments witnessed the replacement of their share of property tax on built properties (TFPB) by a share of value added tax (VAT). The new tax revenue basket of the Departments, resulting from the successive tax reforms, is less dynamic, more disconnected from the territory, more sensitive to the economic situation and more volatile.

	BP 2021	BP 2022	% change
Direct Contributions	359,000,000	0	-100.0%
CVAE	71,119,540	77,387,190	8.8%
Repayment of Region's share of CVAE	85,671,811	85,671,811	0.0%
FNGIR	17,925,606	17,925,606	0.0%
Solidarity fund for the departments of IDF	9,724,767	9,574,965	-1.5%
Management fees of the TFPB	12,703,037	12,919,778	1.7%
IFER	3,316,457	3,468,258	4.6%
Direct taxes	**559,461,218**	**206,947,608**	**-63.0%**
Transfer taxes	230,000,000	280,000,000	21.7%
Compensatory fraction of the TFPB	0	370,535,935	#DIV/0!
Development Tax	14,700,000	15,000,000	2.0%
TSCA	150,459,549	154,809,802	2.9%
Electricity Tax	14,182,000	14,000,000	-1.3%
TIPP	63,099,102	63,099,102	0.0%
Mining Royalty	3,000,000	2,700,000	-10.0%
Residence Tax	800,000	800,000	0.0%
Repayment to equalisation fund: DMTO	14,600,000	15,570,320	6.6%
Indirect payments	**490,840,651**	**916,515,159**	**86.7%**
DGF	90,387,062	91,719,089	1.5%
DGD	4,120,007	4,120,007	0.0%
Compensatory Allowances	21,786,439	21,780,913	0.0%
o/w DCRTP	18,797,099	18,791,779	0.0%
Mobilisation Depart. Integration	8,700,000	8,700,000	0.0%
FCTVA	1,500,000	1,500,000	0.0%
Other State contributions	7,248,889	6,148,288	-15.2%
STATE subtotal:	*133,742,397*	*133,968,297*	0.2%
CNSA contribution (APA 1)	17,350,000	21,150,000	21.9%
CNSA contribution (APA 2) ASV law	3,800,000	0	-100.0%
CNSA contribution (APA 2) Contr. from financing entities	1,400,000	1,400,000	0.0%
CNSA contribution (PCH)	10,800,000	10,800,000	0.0%
CNSA subtotal:	*33,350,000*	*33,350,000*	0.0%
Other holdings	41,561,463	36,752,524	-11.6%
Provisions and investments	**208,653,860**	**204,070,821**	**-2.2%**
Domain and day-to-day management revenue	6,537,462	6,122,768	-6.3%
Recovery of social aid expenses, undue payments	9,220,100	8,892,507	-3.6%
Financial income	45,076	89,859	99.3%
Extraordinary income	2,262,148	3,458,848	52.9%
Reversals of provisions	0	500,000	NS
Other revenue	**18,064,786**	**19,063,982**	**5.5%**

TOTAL	**1,277,020,515**	**1,346,597,570**	**5.4%**

Direct taxation: €206.9M (€559.5M in the BP 2021)

The direct tax item decreased by -63.0% in the BP 2022 relative to the BP 2021, essentially due to the recording of Value Added Tax (VAT) revenue under indirect taxation. The proceeds of the VAT revenue, which compensated for the loss of the property tax on built properties in the context of the tax reform, had been forecast as direct taxation in the 2021 budget pending the creation of an indirect taxation account from 1 January 2021 onwards.

The CVAE is estimated for 2022 at €77.4M against €91.2M in provisions for 2021, i.e. a decrease of -15.1%. This reduction was a direct consequence of the economic crisis in 2020, which will only have an impact on the Department's CVAE revenue in 2022, considering the payment procedures. This estimate corresponds to the part remaining to the Department following the transfer in 2017 of 25 points of CVAE to the Ile-de-France Region. This new distribution of the CVAE between Regions and Departments aims to compensate the Regions for new expenses resulting from the transfer of authority over inter-city road transport for travellers and school transport enacted by Article 15 of the NOTRe law. In Île-de-France, these powers had already been transferred to Regional level through the *Syndicat des transports d'Île-de-France* (STIF).

The transfer from the Region to the Department is set at €85.7M. The LFI for 2021 abolished the regional share of the CVAE (50% of the CVAE) from 2021 and replaced it with a share of VAT equal to the 2020 CVAE. This replacement did not change the transfer from the Region to the Department. Only the CVAE shares of the local authorities and the departments were adjusted accordingly: 53% for the municipal block and 47% for the Departments.

The Flat-Rate Tax On Network Companies (IFER) was estimated at €3.5M by applying a +1.3% increase compared to the amount notified for 2021.

Recorded under direct taxation (since it is a tax transfer funded by a levy on the "winning" local authorities in the 2010 local tax reform), the National Individual Resource Guarantee Fund (FNGIR) is set at the amount of €17.9M.plus These proceeds guaranteed to the Department, in the same way as the Compensation Allocation of the Professional Tax Reform, an equivalent level of tax resources before and after the 2010 tax reform.

The transfer of the solidarity fund for the Departments of the Ile-de-France Region (FSDRIF) for 2022 was estimated at the amount for 2021, i.e. € 9.6M.

The transfer of the TFPB management fees or the equalised compensation scheme (DCP) due to the Department of Seine-et-Marne was estimated at €12.9M for 2022, i.e. a change of 0.5% compared with the appropriations entered for 2021. The draft Finance Law (PLF) 2022 provides that, given the reduction in production taxes decided by the Government in 2021, the DCP should fall by an estimated -8.72% in 2022 relative to 2021. Increased by the State grant provided as compensation and by taking into account the recentralisation of the RSA of the Department of Seine-Saint-Denis, the DCP was estimated as decreasing by -0.5%.

Indirect taxation: €916.5M (€490.8M in the BP 2021)

The indirect tax item increased by +86.7% compared with the BP 2021, mainly due to the recording of value added tax and the increase in the proceeds of the DMTO.

Collected as a replacement for the property tax on built properties from 2021 onwards, the proceeds of the value added tax (VAT) that the Department will receive in 2022 are estimated at €370.5M, i.e. an increase of +3.0% relative to the 2021 proceeds.

The proceeds from transfer duties included in the 2022 Budget is €280.0M in view of the 2021 proceeds.

Proceeds from the 2022 Development Tax are forecast at €15.0M, with a decrease of -11.8% relative to the appropriations for 2021. This decrease is the result of the effects of the economic and health crisis in 2020 and the staggered payment terms (12 and 24 months after the building permit was issued).

The Special Tax on Insurance Agreements (TSCA) is intended, on the one hand, to compensate for the costs relating to the SDIS and those induced by the transfer of competences in 2004 and, on the other hand, since 2011 has included a new component transferred within the framework of the reform of the local taxation. Its proceeds are estimated at €93.2M for the SDIS compensation components and transfers of powers and at €61.6M for the new share transferred in 2011 following the reform of direct local taxation, i.e. a total of €154.8M. This forecast is based on a +2.0% increase in revenue for all parts of the TSCA, relative to the estimated revenue for 2021 (€151.8M).

The revenue from the Departmental Tax on Final Electricity Consumption (TDCFE) is estimated at €14.0M, the same as the estimated income for 2021. With the double objective of simplification and harmonisation, the initial Finance Law for 2021 merged the taxes on final electricity consumption and nationalised their management. After the alignment of the legal provisions and in particular, the tariffs from 1 January 2021 onwards, the municipal and departmental taxes on final electricity consumption were replaced by a share of the domestic tax on final electricity consumption without any power of rate from 1 January 2022 onwards for the departmental tax (TDCFE) and from 1 January 2023 onwards for the municipal tax (TCCFE). On the ground that suppliers will only have to make a single declaration, the deduction of 1.5% of the proceeds of the tax from which the electricity suppliers benefited for the issue of quarterly declarations and payment of the tax was abolished and shall be reallocated to the beneficiary communities.

In 2022, the Department will receive a share of the domestic tax on electricity consumption (TICPE), which shall be equal to proceeds product of the TDCFE collected for the year 2021 increased by the change, between 2019 and 2020, in the consumer price index excluding tobacco. Due to the +0.2% change in the average consumer price index between 2019 and 2020, the reference rates should not be updated in 2022. The TDCFE revenue for 2022 is thus estimated as stable between 2021 and 2022.

The forecast for the TICPE (Internal Tax on Consumption of Energy Products) of €63.1M included the amount of compensation for the RSA base, which was fixed at €46.7M, and the amount of compensation for the former API part, which has been fixed at €16.4M since 2013.

Proceeds from the mining fee are estimated at €2.7M for 2022.

With a rate equal to 10% of the tariff set by the municipalities and EPCIs of Seine-et-Marne, the additional departmental tax on tourist tax is estimated at €0,8M in the BP 2022, after a significant fall in 2021, as a direct result of the health crisis.

The Finance Law for 2020 created a national equalisation fund on the DMTO to replace the three previously created equalisation funds based on the DMTO (the national equalisation fund on the DMTO created in 2011, the solidarity fund on the DMTO created in 2014 and the interdepartmental solidarity fund created in 2019). The transfer of the global equalisation fund on DMTO was estimated at €15.6M in 2022 for a simulated levy of €36.3M and estimated DMTO revenue of €310.0M in 2021. The Department was thus a net contributor to the FNPDMTO for €17.4M.

<u>Allocations and contributions</u>: €204.1M (€208.7M in the BP 2021)

The amount of the Global allocation for operation of the Department of Seine-et-Marne was estimated as increasing slightly from €90.8M in 2021 to €91.7M in 2022. This slight increase was the result of the simulated impact of the estimated demographic growth on the flat-rate allocation and the €10M increase in the urban equalisation allocation included in the 2022 PLF. By virtue of its financial potential per capita, the Department should not be subject to any capping of its flat-rate allowance in 2022.

The DGD was renewed at the level of the notification for 2015, i.e. €4.1M.

In order to respect the maintenance in value of the standard budget of State allocations to local authorities, the compensatory allocations for direct taxation were used as adjustment variables with the compensation allocation for the reform of the business tax. The draft 2022 Finance Bill provides that in 2022, only the DCRTP and the allocations for transfers of compensation for local tax exemptions (DTCE, termed the ‘square allocation') of the Regions will be subject to a reduction. The other variables were maintained at their 2021 levels. As a consequence, the compensatory allowances for direct taxation and the DCRTP were equal to their 2021 levels in the 2022 Budget, i.e. €3.0M and €18.8M respectively.

Perpetuated by the 2017 Finance Act, the Departmental Mobilisation Fund for Integration (FMDI) was estimated at €8.7M.

Since 2017, the State has paid a share of the FCTVA within the operating section. The 2016 Finance Act broadened the basis of expenditure eligible for the FCTVA to include expenditure incurred from 1 January 2016 onwards on the maintenance of public buildings and roads. The portion of FCTVA in the operating section was estimated at €1.5M for 2022.

Other State contributions were estimated at €6.1M for 2022, i.e. a decrease of -15.2% compared to the BP 2021.

The CNSA contributions were evaluated at €33.4M in total for the CNSA's contribution to APA 1 and 2 and the PCH. The CNSA's contribution by way of the MDPH has been collected directly by the MDPH since 2019.

Other contributions decreased by -11.6% compared to the BP 2021 to reach €36.8M.

<u>Other revenues</u>: €19.1M (€18.1M in the BP 2021)

Among other revenues, income from the public domain and current management registered a reduction of -6.3%, amounting to €6.1M. Social aid recoveries were estimated at €8.9M for 2022 and financial income at €0,1M. Extraordinary income was estimated at €3.5M.

3.4.2 Investment revenues

Investment income was below the 2021 primary budget (**€563,281,036**, compared with **€572,234,582** in 2021). Final receipts (subsidies, contributions, debt recovery) amounting to **€54,081,361** increased by **+0.7%** compared to the BP 2021, with borrowings (for investment and debt restructuring) also increasing to reach an amount of **€509,199,674** in the 2022 budget, compared to **€518,535,078** in the 2021 budget **(-1.8%)**.

	BP 2021	BP 2022	% change
VAT compensation fund (FCTVA)	20,000,000	23,000,000	15.0%
Secondary school Equipment Fund (DDEC)	6,860,204	6,860,204	0.0%
Allocation for Support of Departmental Investments (DSID)	1,600,000	1,000,000	-37.5%
Interdepartmental Solidarity and Investment Fund (FS2I)	15,000,000	15,000,000	0.0%
Subsidies and contributions	9,254,557	7,125,239	-23.0%
Other revenue (assignments, speed camera fines, etc.)	984,742	1,095,919	11.3%
Total final investment revenues	**53,699,503**	**54,081,361**	**0.7%**

The **FCTVA** forecast (**€23,000,000**) was based on an estimate of the level of expenditure in 2021, eligible for the fund. As occurs every year, this amount shall be adjusted during the financial year 2022 since, at the time of drawing up the BP 2022, the 2021 budgetary implementation had not yet been drawn up.

Provided by the 2018 LFI in order to simplify the rules for managing the FCTVA, the entry into effect of the automation of the management of the FCTVA was postponed and the LFI for 2021 provided for a progressive implementation of the reform. The Department is therefore concerned by the automation of the FCTVA in 2022 on its expenditure incurred in 2021.

By virtue of Article L 3334-16 of the CGCT, the **departmental grant for secondary schools** (DDEC) has not changed since 2009, remaining fixed at its 2008 level. The amount entered in the 2022 Budget was therefore renewed at **€6,860,204**.

Created in 2019 as a replacement for the Global equipment allocation (DGE) for the departments, the **Allocation for Support of Departmental Investments** (DSID) witnessed the simplification of its allocation rules by the LFI for 2022, which prioritised a single allocation method, based on a call for projects. The DSID was estimated for 2022 at €1.0M, compared with €3.1M in the 2018 revenues of the DGE.

As a prudent measure and while awaiting the determination of the amount of the subsidy that will be paid to the Department as well as its contribution, **€15,000,000** were recorded and the investment expenditure and revenue by way of the **Interdepartmental Solidarity and Investment Fund** (FS2I).

The subsidies derived mainly from the Region **(€6,706,276)** but also from the State, municipalities and other groupings of authorities **(€418,963).** These are distributed over various areas of departmental intervention, primarily roads **(€2,992,314)**, transport **(€3,679,925)** and territorial development **(€453,000)**.

Other revenues include receipts linked to the proceeds of automatic road safety camera fines **(€700,000)**, forecasts of habitual disposals of movable and immovable property **(€105,000)** to be executed in the operating section, but also recoveries of receivables and financial assets **(€290,919)**.

3.4.3 Operating expenditure:

In 2022, **€1,189,751,260** in operating payment appropriations are planned, an increase **(+3%)** relative to those in the 2021 Primary Budget. These had the following composition:

Politics	BP 2021	% / total	BP 2022	% / total	% BP to BP
Territorial development	5,919,175	0.5%	6,194,045	0.5%	4.6%
Protection of the environment	3,182,921	0.3%	3,466,056	0.3%	8.9%
Departmental roads	10,330,120	0.9%	10,330,120	0.9%	0.0%
Safety	111,322,600	9.6%	112,822,600	9.5%	1.3%
Transport	53,891,079	4.7%	55,512,300	4.7%	3.0%
1 - Territorial planning and development mission	**184,645,895**	**16.0%**	**188,325,121**	**15.8%**	**2.0%**
Culture and heritage	7,554,944	0.7%	7,849,200	0.7%	3.9%
Education and training	38,966,925	3.4%	40,764,964	3.4%	4.6%
Youth, sports and leisure	4,689,350	0.4%	5,051,000	0.4%	7.7%
2 - Socio-educational, cultural and sports development mission	**51,211,219**	**4.4%**	**53,665,164**	**4.5%**	**4.8%**
Childhood and family	179,159,250	15.5%	178,240,850	15.0%	-0.5%
Housing	4,751,227	0.4%	4,724,265	0.4%	-0.6%
Integration	207,997,628	18.0%	219,026,457	18.4%	5.3%
Seniors	99,102,360	8.6%	98,768,584	8.3%	-0.3%
Disabled persons	159,701,100	13.8%	168,967,300	14.2%	5.8%
Public health	270,000	0.0%	346,600	0.0%	28.4%
3 - Solidarity mission	**650,981,565**	**56.3%**	**670,074,056**	**56.3%**	**2.9%**
Piloting departmental policies	1,301,000	0.1%	1,297,000	0.1%	-0.3%
Direction of departmental action (excluding equalisation and financial charges)	2,063,650	0.2%	1,680,650	0.1%	-18.6%
General resources	19,505,384	1.7%	19,986,808	1.7%	2.5%
Human Resources	199,577,809	17.3%	206,036,984	17.3%	3.2%
4 - Operating mission	**222,447,843**	**19.3%**	**229,001,442**	**19.2%**	**2.9%**
Total for Missions:	**1,109,286,523**	**96.0%**	**1,141,065,783**	**95.9%**	**2.9%**
Transfer by way of the equalisation of the CVAE	500,000	0.0%	341,395	0.0%	-31.7%
Transfer on taxes and duties DMTO	31,700,000	2.7%	36,334,082	3.1%	14.6%
Total contributions to equalisation funds	**32,200,000**	**2.8%**	**36,675,477**	**3.1%**	**13.9%**
Total management expenses:	**1,141,486,523**	**98.8%**	**1,177,741,260**	**99.0%**	**3.2%**
Financial expenses	14,010,000	1.2%	12,010,000	1.0%	-14.3%
Total expenses	**1,155,496,523**	**100.0%**	**1,189,751,260**	**100.0%**	**3.0%**

Within operating expenditure, expenditure on the 4 missions (i.e. excluding financial costs and tax equalisation) increased by **+2.9%** from BP to BP. Excluding management expenditure, financial costs decreased by **-14.3%** (i.e. **-€2,000,000**). On the basis of the net increase expected in DMTO revenue, the deductions assessed by the Department by way of equalisation funds increase between 2021 and 2022 by **13.9%**, i.e. **+€4,475,477**.

The **Solidarity** mission represents more than 50% of the operating expenditure forecast in the BP 2022 for an amount of **€670M**, with the first item being **integration** for **€219M**, of which €200M for RSA allocations, supplemented by several support measures for RSA beneficiaries, but also social and medico-social integration actions. The budget for children and families, which represents more than 25% of solidarity expenditure (€178.2M), primarily concerned prevention, protection and accommodation for children entrusted to the Child Welfare Agency, but also protection and prevention in the home (assistance in an open environment, assistance to families, educational measures) or medical and social prevention and assistance for parenthood and children. The needs of the **disabled persons** sector for 2022 is estimated at €169M, mainly focused on accommodation expenditure and disability compensation allowances. Moreover, €98.8M was provided for expenditure on the **elderly**, a significant proportion of which was allocated to home care, particularly through the payment of the Personal Autonomy Allowance. For smaller amounts, we should also mention the **housing** sector (€4.7M) with actions for integration through housing (and more particularly our participation in the Housing Solidarity Fund) but also the **public health** sector (€0,3M) with the continuation of the Department's commitments in terms of medical demography through aid for the operation of the University Health Centres and the participation in events in order to promote the wealth of resources of the territory among health professionals and students.

In terms of **Safety** policy, our contribution to the operation of the Departmental Fire and Rescue Service (SDIS) for 2022 amounts to €112.2M and represents 60% of the credits allocated to the **local planning and development mission (€188.3M)**. The second item of expenditure concerns transports for €55.5M divided between, on the one hand, school transport (€32.9M) through our various contributions: Imagine'R pass for primary and secondary school pupils, accompanying persons and boarders, to which are added special routes, and on the other hand, public transport (€22.6M) with our contributions to the operation of Ile-de-France Mobilités, to the PAM77 network, and to the operation of various schemes (in particular the subsidising of Améthyste transport tickets or express lines). Moreover, a budget of €10.3M must be provided to cover the costs of maintaining and operating the **departmental roads**, which essentially consist of the purchase of road supplies (aggregates, snow removal salt, decoration, etc.), fuel, maintenance and repair services. The territorial development policy requires a budget of €6.2M for 2022, which notably includes a subsidy to the Seine-et-Marne Attractivité agency for the implementation of its public service missions, supplemented by the transfer of the tourist tax and the transfer to the Council for Architecture, Town Planning and the Environment (CAUE) of part of the development tax collected by the Department, as well as funding for studies in the area of development, town planning and forward planning. On the other hand, €0,8 M was allocated to agriculture, primarily to finance the agreement on objectives signed with the Chamber of Agriculture, but also various subsidies, notably for Seine-et-Marne livestock farmers, the lumber industry, the beekeeping industry or also, which are paid within the framework of the agricultural compensation fund for flood zones. Lastly, we should also mention **environmental protection**, for which the provisional budget amounted to €3.5M, essentially dedicated to the maintenance of sensitive natural areas, state-owned forests and sustainable development actions.

The overall budget allocated to the **socio-educational, cultural and sporting development** mission is estimated at **€53.7M**, of which €40.8M are reserved for the **education and training** sector. This sector includes our contributions to the budgets of secondary schools, the purchase of equipment and IT materials, as well as costs linked to buildings (routine maintenance, security measures, rental of removable buildings, maintenance, etc.) or linked to educational projects and aid for school catering. The **cultural and heritage** sector, for its part, requires a budget of €7.8M in 2022, with an essential part allocated to cultural development (aid to venues for the performing arts, the plastic arts, artistic education or festivals and events) but also to the departmental heritage and museums. In addition, we must add actions in favour of reading by the public and archives. The third sector concerns **sport and youth** and has a forecast of €5.1M in 2022 provisions, of which a little more than a third is allocated to civil sports, i.e. civil sports associations, sporting events, as well as to multi-sports schools and departmental committees. Support is also given to school sports sections, action measures for swimming, top-level sport and the operation of leisure centres. Mention should also be made of the aid provided for major national and international sporting events, particularly surrounding cycling with the women's Tour de France. In terms of aid to young people, there are plans to maintain aid to youth and popular education associations within the framework of the implementation of contracts for objectives, projects or youth initiatives.

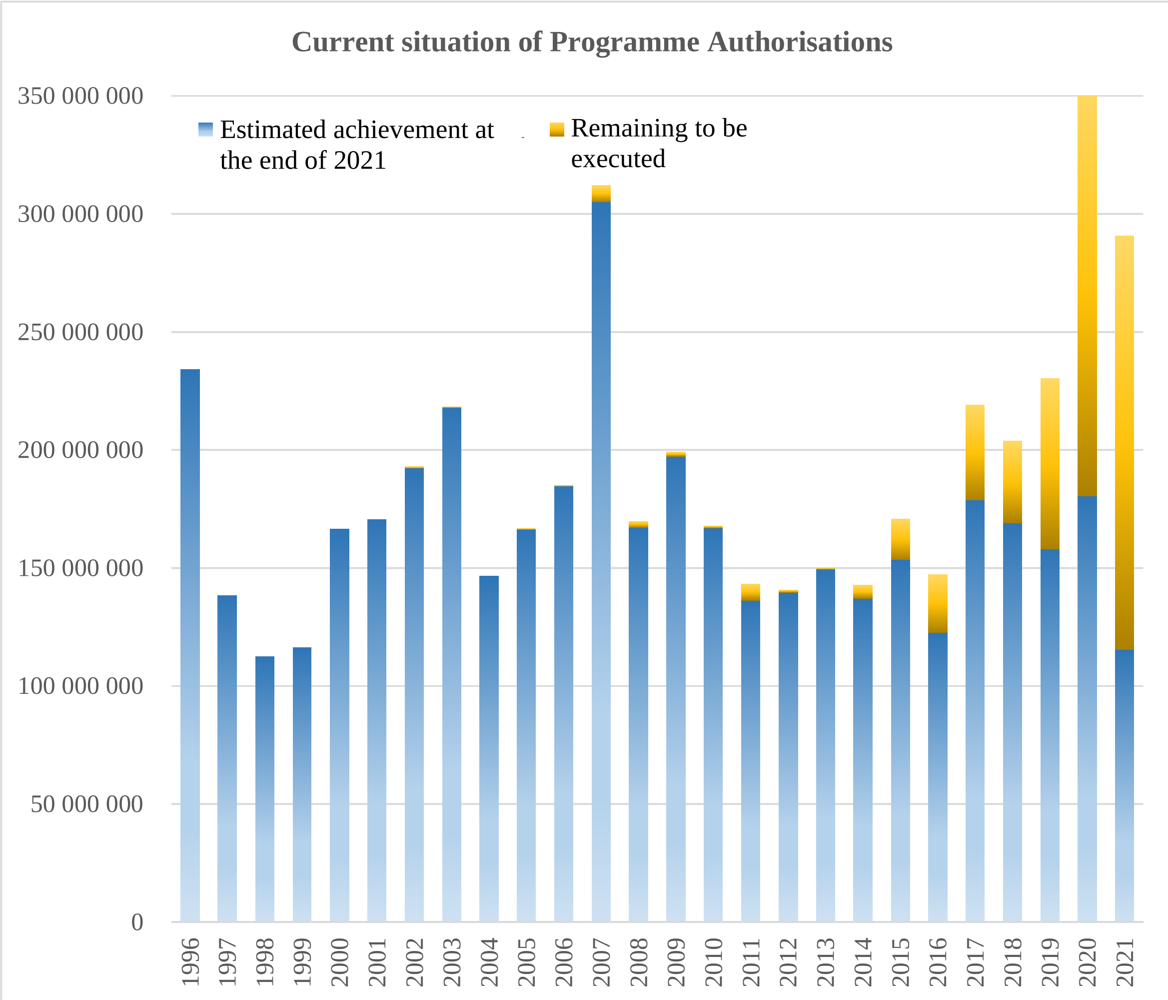
Expenditure on **human resources** (€206M) accounts for 90% of the expenditure on the **functional mission** for 2022 (€229M), while **overheads** are estimated at €20M, covering logistics expenditure (equipment, furniture, maintenance of premises, vehicles), IT equipment and expenditure on buildings (major repairs, energy, insurance, taxes and rentals). To these main expenses must be added the costs of communication, documentation, studies and financial operations (unforeseen expenses, debt management, etc.) for a total amount of €3M.

In addition to these management expenses, the 2022 budget also provides for deductions from taxation for a total amount of €36.7M under the national global fund for equalisation of DMTO and by way of the national fund for equalisation of CVAE, as well as financial costs linked to interest on the departmental debt for €12M.

3.4.4 Investment expenses:

Programme authorisations:

The proposed level for new programme authorisations for 2022 is **€311.3M.** This level is higher than the amount of programme authorisations (AP) for 2021, which was **€299M**. At the end of 2021, the volume of AP still to be covered by payment credits (CP) amounted to **€566.8M**. If the situation is projected to the end of 2022, taking into account both the 2022 AP and the 2022 AP, the stock of AP remaining to be covered by CP would be **€580M.** Based on the level of PAs opened in the 2022 Budget (**€298M**), it would take the Department just under two years to use up this stock of AP.



The 2022 programme authorisations relating to capital expenditure amount to **€311,277,938** (excluding debt and subsidies in annual instalments), with the following allocation:

Politics	Creation of AP BP 2021	%/ Total	Creation of AP BP 2022
Territorial development	36,323,619	12.1%	34,243,000
Protection of the environment	8,553,000	2.9%	15,936,040
Departmental roads	77,900,000	26.1%	97,780,000
Safety	4,700,000	1.6%	6,500,000
Transport	13,540,000	4.5%	12,300,000
1 - Territorial planning and development mission	**141,016,619**	**47.2%**	**166,759,040**
Culture and heritage	1,709,500	0.6%	3,054,500
Education and training	100,793,281	33.7%	91,762,000
Youth, sports and leisure	1,525,000	0.5%	1,600,000
2 - Socio-educational, cultural and sports development mission	**104,027,781**	**34.8%**	**96,416,500**
Housing	425,000	0.1%	510,000
Seniors	2,246,500	0.8%	774,000
Disabled persons	75,000	0.0%	46,500
Public health	-	0.0%	1,000,000
3 - Solidarity mission	**2,746,500**	**0.9%**	**2,330,500**
Management and running of departmental action	16,000,000	5.4%	15,000,000
General resources	35,083,398	11.7%	30,674,798
Human Resources	104,500	0.0%	97,100
4 - Operating mission	**51,187,898**	**17.1%**	**45,771,898**
General total	**298,978,797**	**100%**	**311,277,938**

Education and Roads policies represent respectively 29.5% and 31.4% of new programme authorisations in 2022. Overall, new programme authorisations increase by 4.1%, i.e. +€12.3M between the BP 2021 and the BP 2022.

This increase is explained by the increases in programme authorisations in the "Roads" sector (+€19.9M between 2021 and 2022) and in the "Environment" sector (+€7.4M), albeit with this partly offset by the decline in Education and General Resources.

The two sectors, Roads and Education, account for 61% of the investments to be launched in 2022, including several major operations: the continuation of the road link between Meaux and Roissy, the construction of the Charny and Moussy secondary schools, and the work to be carried out on the extension of the departmental archives and the replacement of its air treatment plants.

Investment payment credits:

The 2022 payment appropriations for capital expenditure amount to **€298,027,346** (excluding capital debt and other financial operations).

Politics	BP 2021	%/total	BP 2022	%/total	% change
Territorial development	34,295,325	12.6%	38,111,599	12.8%	11.1%
Protection of the environment	13,161,808	4.8%	13,841,201	4.6%	5.2%
Departmental roads	63,897,582	23.4%	73,642,228	24.7%	15.3%
Safety	4,700,000	1.7%	5,300,000	1.8%	12.8%
Transport	11,298,209	4.1%	12,377,506	4.2%	9.6%
1 - Territorial planning and development mission	**127,352,924**	**46.7%**	**143,272,533**	**48.1%**	**12.5%**
Culture and heritage	2,629,187	1.0%	3,184,379	1.1%	21.1%
Education and training	92,129,811	33.8%	103,725,550	34.8%	12.6%
Youth, sports and leisure	3,648,603	1.3%	2,788,085	0.9%	-23.6%
2 - Socio-educational, cultural and sports development mission	**98,407,601**	**36.1%**	**109,698,013**	**36.8%**	**11.5%**
Housing	276,143	0.1%	245,389	0.1%	-11.1%
Seniors	4,727,550	1.7%	5,091,700	1.7%	7.7%
Disabled persons	446,250	0.2%	492,750	0.2%	10.4%
Public health	500,000	0.2%	700,000	0.2%	40.0%
3 - Solidarity mission	**5,949,943**	**2.2%**	**6,529,839**	**2.2%**	**9.7%**
Piloting departmental policies	71,141	0.0%	0	0.0%	-100.0%
Management and running departmental action	16,000,000	5.9%	15,000,000	5.0%	-6.3%
General resources	24,868,907	9.1%	23,429,860	7.9%	-5.8%
Human Resources	104,500	0.0%	97,100	0.0%	-7.1%
4 - Operating mission	**41,044,548**	**15.0%**	**38,526,960**	**12.9%**	**-6.1%**
Total capital expenditure	**272,755,016**	**100.0%**	**298,027,346**	**100.0%**	**9.3%**
Debt amortisation and other financial commitments	71,003,559		72,100,000		1.5%
Balanced financial transactions	350,000,000		350,000,000		0.0%
Total investment expenses	**693,758,575**		**720,127,346**		**3.8%**

In the BP 2022, capital expenditure was **9.3%** higher than in the BP 2021.

Within capital expenditure, that relating to Education-Training policy remains the most important in terms of payment provisions in 2022. Roads policy, which also showed an increase in payment provisions, was the second largest sector of intervention, followed by territorial development.

Provisions allocated to the **regional planning and development mission** increase by 12.5% in the BP 2022 to €143.3M, i.e. 48% of the total capital expenditure budget (excluding debt). The **roads** sector accounts for €73.6M, including €66.1M for new developments and €7.5M for network maintenance and operation. **Territorial development** is the second item of expenditure with a forecast amount of €38.1M, allocated mainly to our contractual policy in favour of municipalities and inter-municipal structures through the implementation, in particular, of Intermunicipal Development Contracts (CID), the Rural Equipment Fund (FER), and the Communal Development Fund (FAC), but also through the continuation of the implementation of the digital network via the

Syndicat Mixte d'Aménagement Numérique [Mixed Digital Planning Syndicate]. By way of **environmental protection**, a budget of €13.8M has been allocated, 85% of which is devoted to the water sector, divided into two main areas: sanitation and drinking water. The remainder of the credits are allocated to the protection of sensitive natural areas (ENS), whether they are departmental or communal, and to land development. The essential part of the appropriations for transport (€12.4M) concern the continuation of the "TZEN" public transport project, the development of railway stations and multimodal carpooling stations. We end with the **safety** sector (€5.3M) where two points should be mentioned: the equipment subsidy to be paid to the SDIS (€4.6M) and the credits allocated to the "safety shield" system, broken down into subsidies to the municipalities and a support fund for the equipment of the Approved Civil Safety Associations.

The provisional allocation to the **socio-educational, cultural and sporting development mission** amounts to **€109.7M**, including €103.7M for **education and training**. In this capacity, the needs in the buildings sector are estimated at €91.2M: €60.1M for the construction, extension and renovation of secondary schools and €31.1M for maintenance and major repairs. To this expenditure must be added the other equipment required by public secondary schools in terms of IT (€6.6M in hardware, software, digital workspace, wi-fi, etc.), school catering (€1.7M in large kitchen equipment, furniture and IT), equipment and furniture (€1.7M) and also aid to private secondary schools (€0,6M). A final budget of €2M in payment credits is allocated to higher education and more particularly, to our participation in the creation of the University Campus run by UPEC (Université Paris Est Créteil). A forecast of €3.2M is presented in the BP 2022 for **culture and heritage**, including €1.9M for protection of heritage and €0,8M for departmental museums. Moreover, investment aid will be provided to the national stages, artistic education and media libraries, in the form of equipment acquisitions or renewals. In the area of **sporting activities**, the following will be financed for €2.8M: sports facilities to support secondary schools and projects to create facilities or events around the 2024 Olympic and Paralympic Games.

The **solidarity** mission presents a forecast of investment credits of **€6.5M** in the 2022 Budget, of which €5.1M concerns around ten establishments for the **elderly**. Moreover, a budget of €0,7M will permit the acquisition of teleconsultation booths to be continued, while €0,5M is also planned for establishments for the **disabled** and €0,2M for housing support in the form of rehabilitation, assistance for independent living and maintenance of housing, and assistance for the creation of reception areas for travellers.

Structural expenditure for the **functional** mission is estimated at **€38.5M**, including, on the one hand, €23.4M for general resources such as buildings (€15M for studies, works and acquisitions), information systems (€6.4M) and logistics (€2M), and on the other, €15M for the Department's participation in the FS2I in 2022, an amount recorded under expenditure and revenue and which shall be refined in the 2022 DM1.

We must conclude with **financial expenses** (€422.1M), which concern the reimbursement of debt principal, whether this represents the normal annual instalments of the maturities of the long-term bank debt, the subsidies in annual instalments for their capital component and the capital operations on the long-term debt which contribute to its active management. This last category of operations has no impact on the equilibrium of the budget since the sums included under in expenditure are balanced by identical sums included in revenue **€250M** for the intra-year transactions that the Department conducts on its "revolving" credit lines (long-term credit lines with variable amounts outstanding, which contribute to optimising cash flow management and financial costs); and **€100M**, in order to be able to carry out, if necessary, according to market opportunities, debt rescheduling (early repayments followed by refinancing).

In addition to these operations, which are balanced in terms of expenditure and revenue, we should mention the main item, which amounts to **€72M**, corresponding to the forecast amortisation of the Department's long-term debt for 2022.

3.5 The state of the debt on 31 December 2020

3.5.1 Continuation of debt reduction in 2020

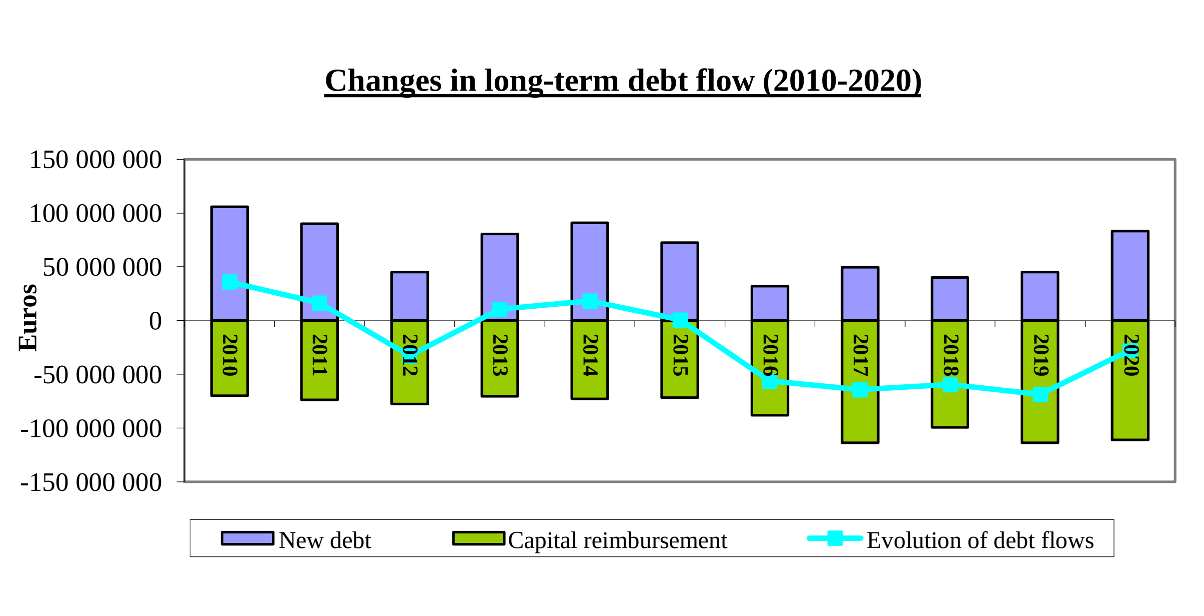
In 2020, despite the exceptional expenditure linked to the purchase of health equipment and the increase in social expenditure (particularly in terms of integration), the Department reduced its debt. This reduction in debt was made possible by the good performance, against all expectations, of transfer duties, the receipts of which remained stable in 2020 compared to 2019 (€279.8M).

In this way, in order to finance an investment volume greater than that of 2019, the Department obtained €83.4M in financing while repaying €111M.

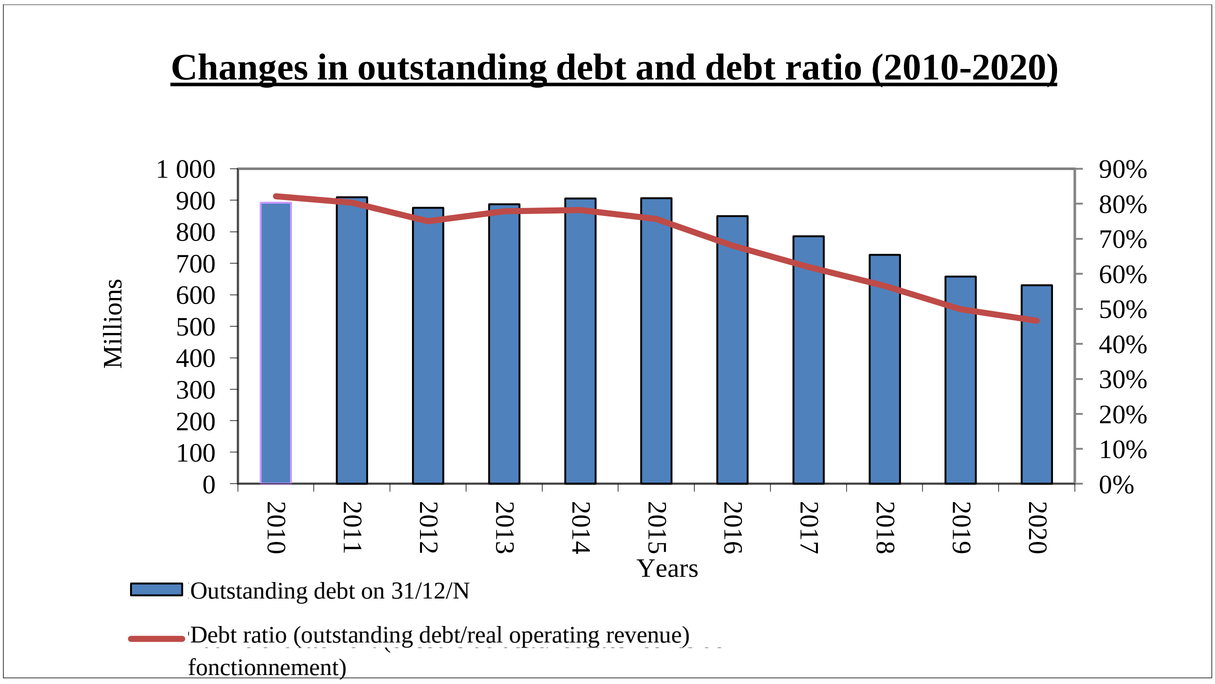
This capital reimbursement for €111M capital repayment made in 2020 included €70.2M of reimbursements according to the contractual amortisation schedule and €40.8M of repayments of five so-called "revolving" loans (or with variable amounts outstanding) which the Department has at its disposal and which enable it to mobilise and repay long-term debt within the limit of a ceiling for drawdowns. This repayment made in 2020 allowed drawdowns for the same amount in 2021.

This ultimately represented a debt reduction of €27.6M and a reduction in the Department's outstanding debt of 4.2% compared to the end of 2019.

The Department's total long-term debt, which stood at €657.4M as of 31 December 2019, was reduced to €629.7M as of 31 December 2020. Since 2015, this strategy has enabled the Department to reduce its outstanding debt by over 30% (-30.4%).



The debt ratio (equal to long-term debt outstanding divided by actual operating revenues) stood at approximately 46.6% compared to 49.9% at the end of 2019.



The Department's capacity to deleverage (i.e. the number of years that the Department would need to repay all of its outstanding debt if its operating savings were entirely allocated to it), is estimated, as of the date on which this report was written, at 2.9 years. This level, identical to that of 2019, has been improving consistently since 2015 (from 5 years in 2016 to 3.6 years in 2018).

This debt reduction is achieved even though capital expenditure reached €248.9M in 2020, compared to €212.1M in 2019.

3.5.2 Optimised mobilisations of borrowing in 2020

In order to cover its financing needs, the Department had recourse to two so-called "revolving" loans, one contracted with Crédit Agricole in 2001 and the other with BNP Paribas in 2009, which had been repaid in full by end-2019. The Department was able to draw down these loans up to their maximum amount in 2020.

The Department then mobilised €20M from the multiannual financing plan with the European Investment Bank (EIB) concluded in 2015 to finance its multi-year investment programme (PPI) in the field of education (notably including the construction and renovation of secondary schools) for the period 2015-2020.

This contract with the EIB permits the Department to finance itself on very attractive terms obtained by the European institution on the financial by virtue of its excellent credit rating (variable rate: Euribor 3 M +0.443 %).

Summary of bank loans mobilised in 2020

Lending or Placing Entity	*Amount*	*Collection date*	*RATE* Index and Margins	Term
European Investment Bank	€ 20,000,000.00	**27 May 2020**	**Euribor 3M rate + 0.443%**	8 years
CA (40201)	€ 4,587,240.00	**31 Jan 2020**	**Indexed rate: EONIA** Annual progressive amortisation on 01/02/N at the same rate as ceiling amounts falling due	2 years
BNP PARIBAS (41601) -Outstanding amount on 01/01/2020: € 0 -Mobilisable amount on 01/01/2020: €28.7M	€ 28,778,235.00	**27 Nov 2020**	**Indexed rate: Euribor 1M rate + 0.48% Annual progressive amortisation on 01/12/N at the same rate as ceiling amounts falling due**	10 years

Since the long-term financing needs has been covered by virtue of the previously concluded agreements, the Department did not make a new bank consultation in 2020.
Moreover, with a concern for achieving an equilibrium between bank financing and direct recourse to the financial market via bond issues, and given the excellent financing conditions in 2020, the Department made two bond issues at the start of March 2020 for a total amount of €30M.

The negative level of the French 10-year OAT, the Department's recurrent and well-known presence in the bond market and its very good financial rating enabled the Department to make the two issues, for periods of 5 and 7 years respectively, at negative rates.

Summary of the 2020 bond issue

Lending or Placing Entity	*Amount*	*Collection date*	*RATE* Index and Margins	Term
Bond investor/Placing entity NATIXIS	€ 20,000,000.00	**12 Mar 2020**	**Rate -0.07%**	7 years
Bond investor/Placing entity HSBC France	€ 10,000,000.00	**13 Mar 2020**	**Rate -0.15%**	5 years

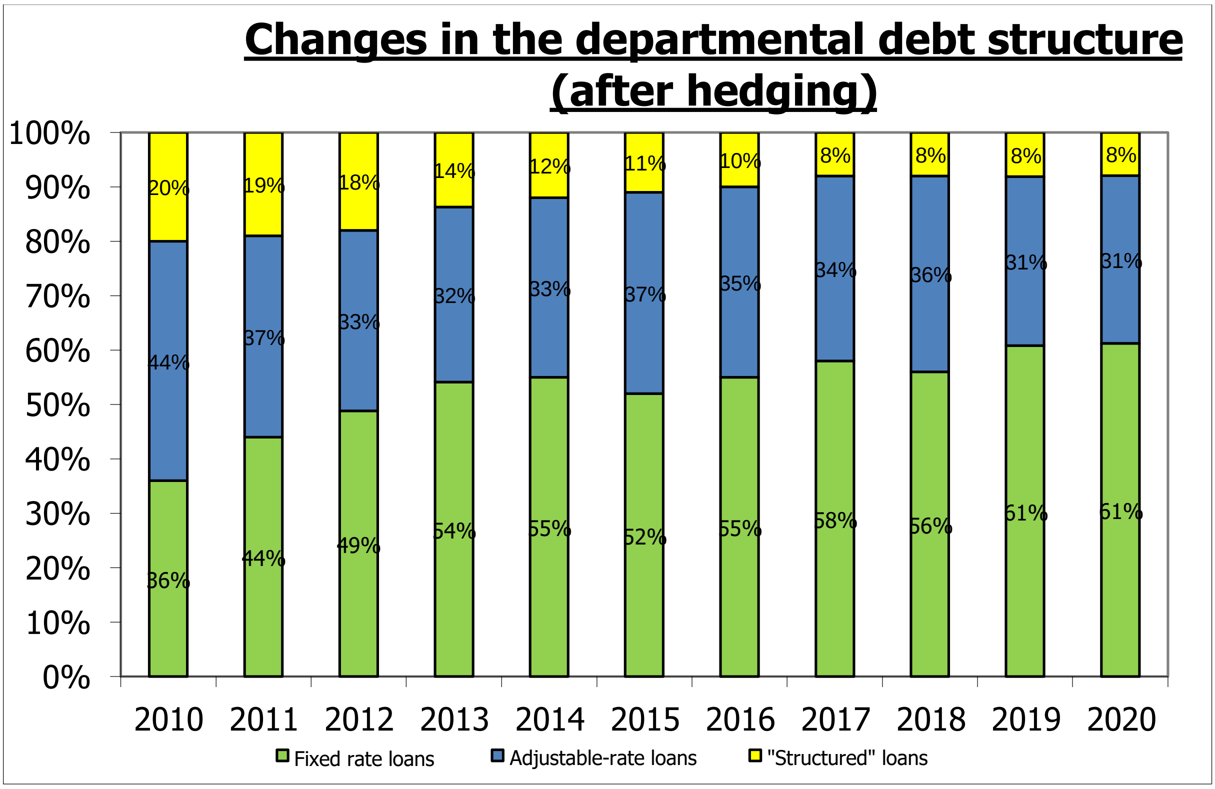
Lastly, on 17 December 2020, the Department signed a new agreement with the European Investment Bank under its "Education" programme, allowing for a financing budget of up to €140M for a duration of five years.
The EIB's intervention in the financing of the Department's education projects represents a genuine opportunity, since it enables the Department to benefit from the EIB's excellent signature quality, entailing lower financing costs in the financial markets. In addition, the multi-year nature of the financing strengthens the Department's secure access to credit. Lastly, it is also a recognition, on the part of the European Union, of the "Education" project carried out by the Department.

In this way, on 1 January 2021, the Department had secured financing capacities for an amount of €180.8M (€140M under the financing plan with the EIB and €40.8M on five so-called "revolving" loans repaid in full in 2020), which would make it possible to cover the borrowing needs for 2021, as established in the primary budget at €168.5M. In 2021, the Department was able to resort to a bank loan or a bond issue to cover its borrowing needs.

In total, with a €30M bond issue and €53.4M in bank loans, the Department therefore acquired an outstanding debt of €83.4M in 2020, while repaying €111M.

3.5.3 An outstanding loan with a secure and diversified composition and with a controlled profile

The Department's outstanding debt is mainly composed of fixed-rate loans (61%), floating-rate loans (31%) and three "structured" products within the meaning of the "Gissler" Charter, that account for 8% of its outstanding debt.



Floating-rate loans allow the Department to benefit from the historically low level of short-term indices, while fixed rate loans guarantee the future stability of financial expenses.

In 2019, the Department's average debt ratio stood at 1.90%[4] taking into account interest rate hedging instruments, compared to 1.98% in 2019.

Circular Criterion 25 June 2010	**1. Euro-zone indices**	**2 Inflation indices**	**3. Euro-zone index spread, inflation spread**	**4. Indices outside the Euro-zone index spread, including one outside the Euro-zone**	**5. Index spread outside the Euro-zone**	**6. Others *Outside the Charter***	**Total**
A. Fixed/Floating Floored or capped floating	**72 lines** **92.07 %** **579,819,700.11**						72 lines 92.07 % **579,819,700.11**
B. Single barrier - No leverage	**1 line** **0.95 %** **6,000,000.00**	**1 line** **5.47 %** **34,473,942.39**					2 lines 6.43 % **40,473,942.39**
C. Swaption							
D. Multiplier up to 3 Capped multiplier up to 5							
E. Multiplier up to 5		**1 line** **1.50 %** **9,433,042.29**					1 line 1.50 % **9,433,042.29**
F. Others outside the Charter							
Total	73 lines 93.03 % 585,819,700.11	2 lines 6.97 % 43,906,984.68					75 lines 100.00 % **629,726,684.79**

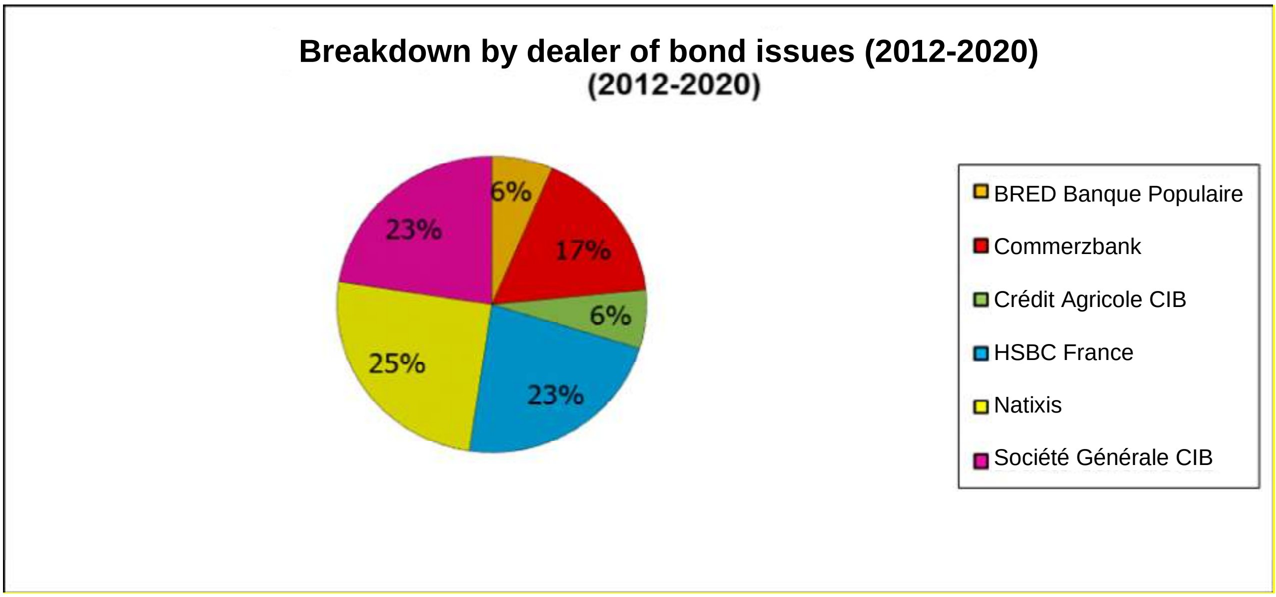
Regarding the three structured loans, one was swapped and the other three have a low level of volatility and consist of products linked to EURIBOR or French inflation. Since they have been held by the Department, none of these products have switched to an impaired rate and their rates in 2020 were between 3.61% and 4.19%.

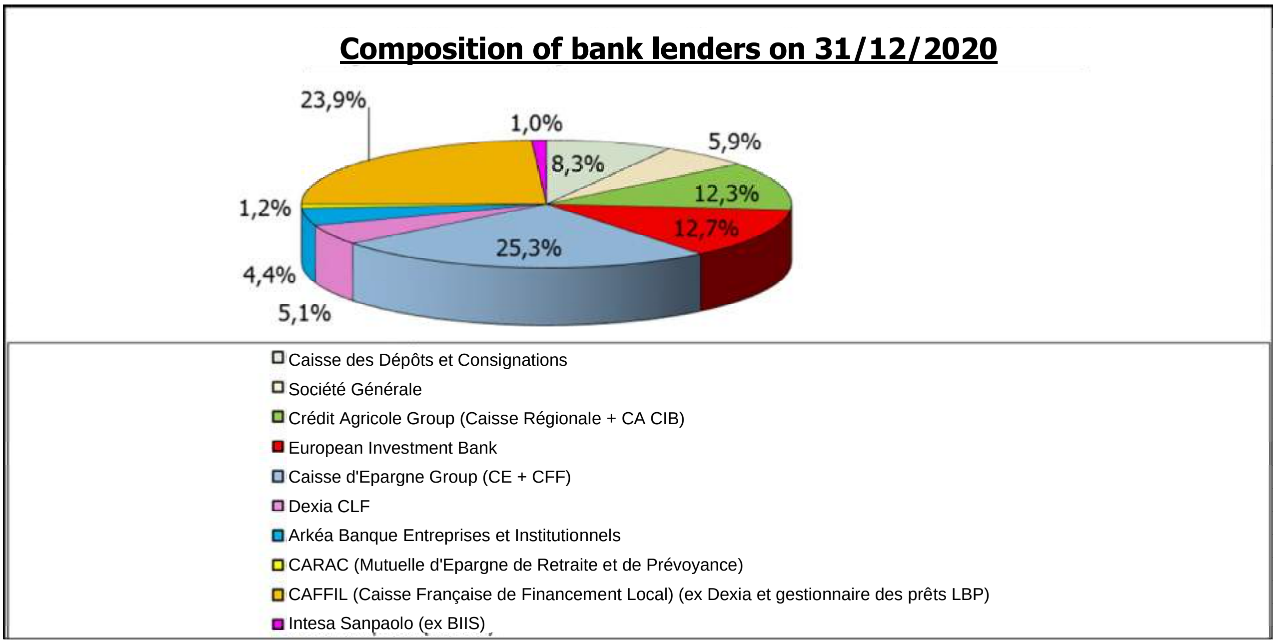
No. Loan	Lender	Structured loan on 31/12/2020	Weight in total debt	Subsidised rate	Conditions	Active/passive structure 2018	Charter ranking	Rate paid 2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
40504	CFFL	**6,000,000.00**	0.95%	3.855%	**Structured loan not swapped** Fixed rate 3.855 % if Euribor 12M <=5.50 % otherwise Euribor 12M + 0.25 %	**Passive structure**	**1B**	**3.855%**	Forecast rate paid: 3.855%														
20503	CFFL	**34,473,942.39**	5.47%	4.190%	**Structured loan not swapped** Rate applied = 4.19 % if TI <=2 % Rate applied = TI +2.19% if 2 %< TI <=3.9 % Rate applied = 6.09 % if TI > 3.9%	**Passive structure**	**2B**	**4.190%**	Forecast rate paid: 4.19 %										Forecast rate paid: 4.19% to 4.38%				
20703	SG	**9,433,042.29**	1.50%	3.610%	**Structured loan not swapped** from 30/09/2012 to 30/09/2024 Fixed rate 3.61% if Inflation France>=(-)1,00% otherwise 3.61 %+4 x (Inflation France + 1 %) From 30/09/2024 to 30/09/2032 fixed rate 3.78 %	**Passive structure**	**2E**	**3.610%**	Forecast rate paid: 3.61%				Rate paid defined contractually: fixed rate of 3.78%										

3.5.4 Broad diversification of sources of financing

The Department is financed using both the banking and bond markets. In this way, on 31 December 2020, out of an outstanding debt of €629.7M, €235M (i.e. 37%) were bond products.

The Department has a large panel of bond and bank financiers, including all the major players in the financing of local authorities.





3.5.5 Swap contracts, instruments for securing and diversifying the outstanding debt of the Department

Swap contracts or hedging instruments are financial engineering tools that "hedge" existing borrowings within the Department's outstanding debt.

A swap contract of a local authority must be backed by a real loan contract but does not replace it. In this way, for any hedging instrument, the local authority must hold a loan, throughout the life of the swap, with an outstanding principal at least equal to that indicated as hedged in the swap contract. Swaps are therefore active debt management tools which make it possible to change the interest rate of a loan without having to act on this contract.

There are several types of hedging instruments which offer the possibility either of:

- substituting one interest rate (variable, fixed or structured) for another interest rate (variable, fixed or structured);

- reducing the risk of changes in the financial costs of a loan (structured or variable product) by including a maximum rate;

- reducing the margin of a variable or structured product by including a minimum rate;

- or hedging the exchange rate risk.

The Department of Seine-et-Marne has never implemented a foreign exchange risk hedging tool (as it is not exposed to any foreign exchange risk due to borrowing in foreign currencies) but only holds interest rate swap products.

Two objectives may thus lead to the implementation of a "swap": either securing the future evolution of the financial costs of a loan within a logic of insurance (via the implementation of a ceiling rate or the exchange of a variable rate for a fixed rate) or minimising its current cost with an objective of financial optimisation (through the implementation of a floor rate in exchange for a reduction of the margin or the exchange of a fixed rate for a variable rate).

A hedging contract generates the reimbursement to the Department of the interest rate paid on the hedged loan in exchange for the Department's settlement of another interest rate determined within the "swap" contract.

The financial balance of a swap is achieved by comparing the cost of the initial loan (for which the interest is reimbursed to the Department) with that of the swap rate (which the Department pays) throughout the life of the loan, but also by analysing their respective levels of risk. Indeed, the implementation of a fixed-rate swap contract or the neutralisation of a structured product may apparently be more costly, but may enable the holder to reduce the risk of changes in financial costs during the life of the loan.

As of 1 January 2020, the Department of Seine-et-Marne held two swap contracts for an outstanding amount of €21.5M (compared to €25.8M on 1 January 2019):

- A hedging contract ("swap" 7), the purpose of which was to secure a so-called "structured" product fully by transforming it into a simple fixed-rate loan (the initial rating of the loan being D3 on the "Gissler" Charter), and which expired in March 2020;

- a contract to protect against a rise in floating rates (swaps 8);

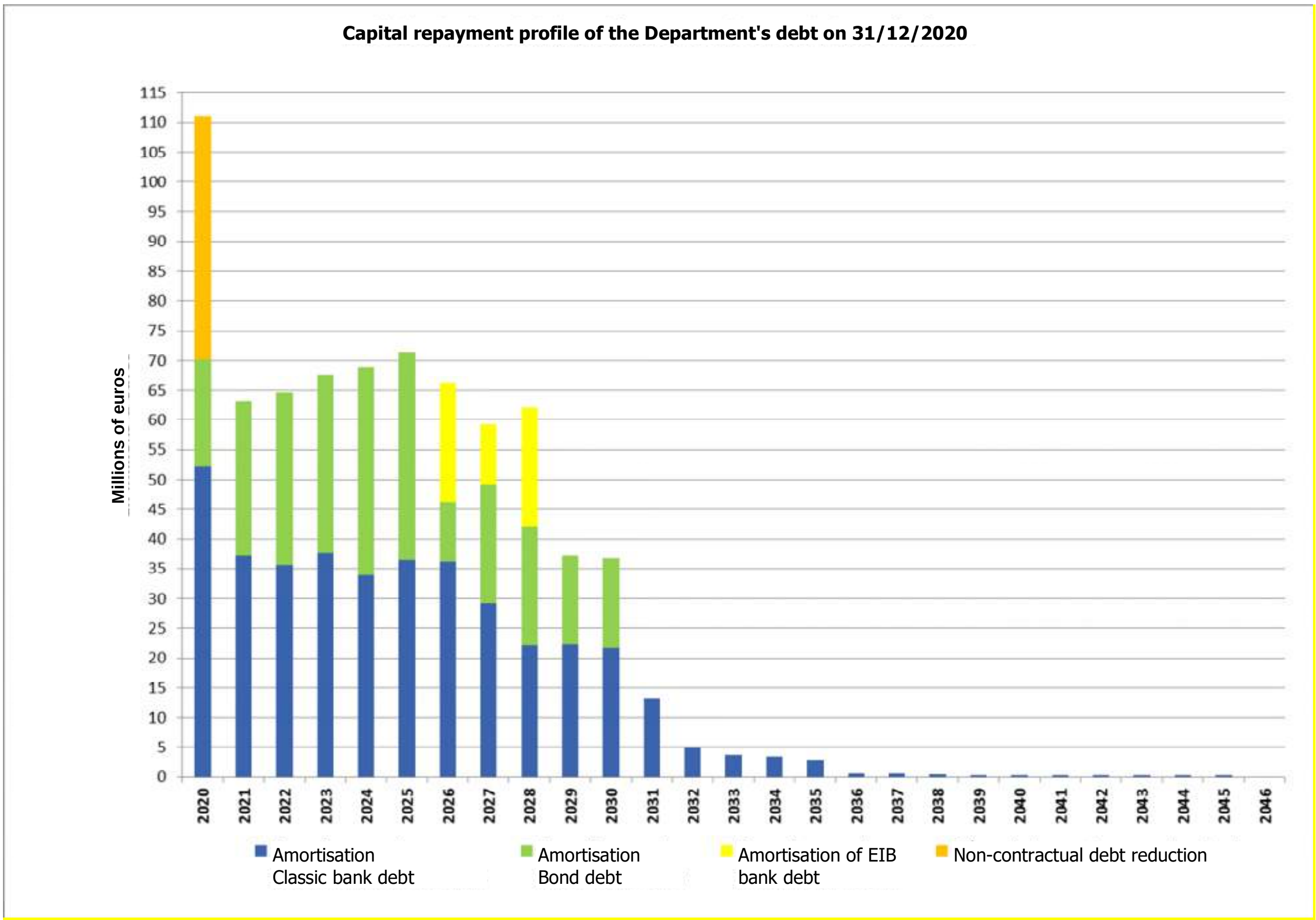
BANKS	CA-CBP 2 MAR 2009	ARKEA 08 June 2011
Loan No.	***No. 20514***	***No. 41702***
Swap No.	***(swap 7)***	***(swap 7)***
Hedged risk	Inversion of the yield curve	Variable rate (increase in revisable rates)
Start date	**2 March 2009**	**08 June 2011**
End date	**02 March 2020:**	**30 April 2031**
Notional on 1 January 2013	€ 22,785,039.94	€ 28,140,524.77
Notional on 1 January 2014	€ 19,936,909.95	€ 26,869,676.76
Notional on 1 January 2015	€ 17,088,779.96	€ 25,573,284.71
Notional on 1 January 2016	€ 14,240,649.97	€ 24,250,835.18
Notional on 1 January 2017	€ 11,392,519.98	€ 22,901,804.41
Notional on 1 January 2018	€ 8,544,389.99	€ 21,525,658.12
Notional on 1 January 2019	**€ 5,696,260.01**	**€ 20,121,851.29**
Notional on 1 January 2020	**€ 2,848,129.99**	**€ 19,409,401.89**
Initial rate of the hedged loan	**Structured rate**: 0.94% + (2 x Euribor 12M) - TEC 10	**Variable rate**: Euribor 6M + 0.39%
Rate received by the Department by way of the swap	**Structured rate**: 0.94% + (2 x Euribor 12M) - TEC 10	**Variable rate**: Euribor 6M + 0.39%
Rate paid by the Department by way of the swap	**Fixed rate**: 3.46%	**Fixed rate**: 3.835%
Balance 2020	-84,956.72	-689,887.44
CUMULATIVE BALANCE ON 31/12/2020 (+) = saving (-) = excess cost	**€ -6,004,900**	**€ -7,273,732**

Since the last contract was intended to protect the Department in the event of a rise in interest rates, it is currently proving to be a "loser" (for a total amount of €689,887 in 2020) in the context of historically low short-term rates in 2020.
In total, over the year 2020, the balance sheet of the Department's two hedging contracts was a negative €774,844.

3.5.6 A controlled amortisation profile to ensure alignment with the financial capacities of the Department

Since 2012, the Department of Seine-et-Marne resorted to disintermediated financing via bond issues on the financial markets. These bond issues are subject to bullet repayment conditions, i.e. the repayment of the principal in full at the latest maturity date.

Since then, on obtaining loans, the Department of Seine-et-Marne worked on the adjustment of the amortisation profile generated by bank loans, the annual repayment of principal and full repayment of bonds and financing tranches granted by the European Investment Bank at maturity date. The objective is to achieve a consistent annual repayment rate compatible with the Department's financial balance and with its goal to avoid postponing the issuance of principal repayments.



At end-2020, average life of the Department's outstanding long-term debt was 4 years and 11 months, compared with 5 years and 4 months at end-2019.

3.5.7 Bond issues realised by the Department in the context of the EMTN programme

Dealers	Amount	Issue date	Maturity date	ISIN Code
Société Générale CIB	**30,000,000**	12/11/2012	12/11/2023	**FR 0011 349 372**
Natixis	**12,000,000**	06/05/2013	06/05/2022	**FR 0011 472 380**
Société Générale CIB	**10,000,000**	06/05/2013	06/05/2028	**FR 0011 472 414**
Société Générale CIB	**8,000,000**	06/05/2013	06/05/2024	**FR 0011 472 406**
HSBC France	**16,000,000**	14/10/2013	14/10/2021	**FR 0011 592 088**
HSBC France	**7,000,000**	14/10/2013	14/10/2022	**FR 0011 592 005**

HSBC France	**10,000,000**	15/04/2014	15/04/2022	**FR 0011 844 026**
Commerzbank Aktiengesellschaft Global Equities Capital Market	**10,000,000**	05/05/2014	05/05/2021	**FR 0011 847 102**
Natixis	**5,000,000**	14/10/2014	14/10/2025	**FR 0012 223 329**
Commerzbank Aktiengesellschaft	**5,000,000**	14/11/2014	14/11/2024	**FR 0012 283 331**
Commerzbank Aktiengesellschaft	**15,000,000**	14/11/2014	14/11/2025	**FR 0012 285 831**
Société Générale CIB	**5,000,000**	20/02/2015	20/02/2025	**FR 0012 535 797**
Commerzbank Aktiengesellschaft	**10,000,000**	04/03/2015	04/03/2026	**FR 0012 591 725**
Bred Banque Populaire	**15,000,000**	05/06/2015	05/06/2024	**FR 0012 758 621**
Natixis	**7,000,000**	11/06/2015	11/06/2024	**FR 0012 767 317**
Crédit Agricole CIB	**15,000,000**	21/03/2017	21/03/2029	**FR 0013 244 894**
HSBC France	**10,000,000**	14/06/2018	14/06/2028	**FR 0013 343 035**
NATIXIS	**15,000,000**	29/04/2019	29/04/2030	**FR 0013 415 825**
NATIXIS	**20,000,000**	12/03/2020	12/03/2027	**FR 0013 492 881**
HSBC France	**10,000,000**	13/03/2020	13/03/2025	**FR 0013 492 816**
La Banque Postale	**10,000,000**	12/04/2021	12/04/2027	**FR 0014 002 S24**
TOTAL	**245,000,000**			

3.5.8 Borrowing guarantees

The loan guarantees that may be granted by the Department of Seine-et-Marne (Article L.3231-4 of the CGCT) to legal persons governed by private law, notably in the area of social housing, are a type of support provided to an investment project. In this way, through loan guarantees, the Department of Seine-et-Marne makes a commitment to a financial institution to repay a loan granted to an organisation in the event of default by the latter. The departmental guarantee generally allows the secured organisation to benefit from more favourable Pricing Supplement from the lender.

This type of action involves risks to the Departmental budget since, if the organisation defaults, the Department is called upon to substitute for it and pay any unpaid annual instalments. For this reason, the CGCT regulates these guarantees by instituting prudential rules, including the risk cap rule, that limits the total amount of annual instalments already guaranteed or secured to fall due during the financial year (excluding annual instalments from the social housing sector) and the amount of annual instalments of the Department's debt, to 50% of the actual operating revenues under the departmental budget.

The Department of Seine-et-Marne, which seeks to control this outstanding amount, adopted its own rules relating to loan guarantees, supplementing the prudential rules under the CGCT. The first instrument establishing a framework for granting loan guarantees to the social housing sector was voted by the Departmental Assembly in 2007, the second, covering all sectors likely to benefit from this type of assistance, was voted on in September 2011.

On 24 March 2017, the Departmental Assembly issued a new decision revising that of 2011, on the terms for granting loan guarantees. The objective was to establish a clear and effective framework to bring the granting of loan guarantees in line with the departmental housing policy and the specific needs of the Department of Seine-et-Marne and its agents.

Between 2014 and 2020, the loans guaranteed by the Department of Seine-et-Marne increased by 9%. This change was mainly driven by the increase in loans secured in the social housing sector (+ €38M). The other loan guarantees provided, mainly to the medical aid sector (retirement homes, nursing homes, etc.) explain the rest of this change (+€14M).

Year	2014	2015	2016	2017	2018	2019	2020
Secured debt on 31/12 (in euros)	548,637,333	560,085,193	584,430,752	587,685,958	584,143,002	614,442,134	601,989,752
Secured annual instalments on 31/12 (in euros)	39,204,585	40,244,829	48,018,210	48,852,399	42,334,586	46,037,116	39,629,408
Total annuity guarantee + own debt annuity on 31/12 (in euros)	135,127,546	133,769,770	140,496,429	181,021,838	158,192,302	140,913,595	123,858,080

The outstanding debt secured by the Department of Seine-et-Marne stood at around €601M on 31 December 2020, and was predominantly to the benefit of the social housing sector (€494M).

The annual instalments of the secured debt amounted to €39M (including social housing). The total annual instalments of the Department's own debt and secured debt (excluding the social housing sector) accounted for 6.78% of the authorised ceiling, according to the method of calculating the ratio under Article L.3231-4 of the CGCT.

None of the guarantees provided by the Department of Seine-et-Marne were enforced in 2020.

A follow-up of the organisations benefiting from this aid is conducted to assess the legal and financial implications for the Department of Seine-et-Marne resulting from these contractual relationships, in order to assess the risks involved. To this end, annual monitoring of partners of the Department of Seine-et-Marne is carried out by the Management Control and External Audit Department. In order to grant a new guarantee, a previous analysis is conducted of the financial situation of the organisation by which it is requested.

PRICING SUPPLEMENT FORM

MiFID II – Product governance / Target market (professional investors and eligible counterparties only) – Solely for the purposes of the product approval process of [the/each] manufacturer (as defined in directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended (the "**MiFID II**")), the target market assessment in respect of the Notes (as defined below) taking into account the five (5) categories referred to in item 18 of the guidelines on product governance requirements published by the European Securities and Markets Authority [(the "**ESMA**")] on 5 February 2018, led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in 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**") must take into consideration the target market of the producer(s); however, a distributor subject to MIFID II is responsible for undertaking its own target market assessment in respect of the Notes (either by adopting or refining the target market of the producer(s) and determining appropriate distribution channels.[5]

[**UK MIFIR – UK Product governance / Target market (professional investors and eligible counterparties only) –** Solely for the purposes of the product approval process of [the/each] producer, the assessment of the target market of the Notes (as defined below), taking into account the five (5) categories cited in item 18 of the Guidelines on product governance requirements published by ESMA on 5 February 2018 (in accordance with the Financial Conduct Authority's policy statement entitled "Brexit - our approach to EU non-legislative materials"), led to the conclusion that (i) the target market for the Notes consists of eligible counterparties, as defined by the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined by Regulation (EU) No. 600/2014 as transposed into domestic law in the United Kingdom in accordance with the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"), only 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") shall be required to take into account the target market assessment of [the] producer[s]. A distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "MiFIR UK Product Governance Rules") is nevertheless required to make its own assessment of the target market for the Securities (retaining or refining the producer[s] target market assessment) and to determine the appropriate distribution channels.][6]

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[5] To insert following assessment of the target market assessment considering the Notes, taking into account the five (5) categories referred to in item 18 of the guidelines on product governance requirements published by ESMA on 5 February 2018, in the case of a professional investors and eligible counterparties only target market.

[6] To be inserted following assessment of the target market considering the Notes, taking into account the five (5 categories referred to in item 18 of the guidelines on product governance requirements published by ESMA on 5 February 2018 (in accordance with the UK Financial Conduct Authority's policy statement entitled "Brexit: our approach to EU non-legislative materials"), for target markets only towards professional investors and eligible counterparties..

Pricing Supplement dated [●]

SEINE-ET-MARNE DEPARTMENT

Securities issuance programme

(Euro Medium Term Note Programme)

Under the €1,000,000,000

LEI (Legal Entity Identifier) : 969500V08Y2PG8JTLG42

[Brief description and amount of Notes]
(the "Notes")

Series No. [●]
Tranche No. [●]

Issue Price: [●] per cent.

[Name(s) of Dealer(s)]

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "**Conditions**") included in the chapter "Terms and Conditions of the Notes" of the offering circular dated 21 April 2022 [as amended and/or supplemented by the amendment(s) to the offering circular dated [●]] related to the €1,000,000,000 EMTN programme of the Issuer ([together,] the "**Offering Circular**").

This document constitutes the pricing supplement (the "**Pricing Supplement**") of the notes described herein (the "**Notes**") and must be read in conjunction with such Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. The Offering Circular [and this Pricing Supplement] [is/are] (a) published on the website of the Issuer https://seine-et-marne.fr/fr/notation-financiere) and (b) available during normal business hours and days at the office of the Issuer and at the specified office(s) of the Paying Agent(s). [In addition, this Pricing Supplement and the Offering Circular are available [on/at] [●].]

[The following alternative wording is applicable for the issue of Notes assimilated with the first Tranche of an issue made in accordance with an earlier base prospectus or offering circular.]

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "**Conditions**") which are the [2012/2013/2014/2017/2018/2019/2020] Conditions and which are incorporated by reference in the offering circular dated 21 April 2021 [as amended and/or supplemented by the amendment(s) to the offering circular dated [●]] related to the €1,000,000,000 EMTN programme of the Issuer ([together] the "**Offering Circular**").

This document constitutes the pricing supplement (the "**Pricing Supplement**") of the notes described herein (the "**Notes**") and must be read in conjunction with the Offering Circular (except for "Terms and Conditions of the Notes" section which is replaced by the [2012/2013/2014/2017/2018/2019/2020] Conditions). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement, the [2012/2013/2014/2017/2018/2019/2020] Conditions and the Offering Circular (excluding the chapter "Terms and Conditions of the Notes"). The Offering Circular [and this Pricing Supplement] [is/are] (a) published on the website of the Issuer ((https://seine-et-marne.fr/fr/notation-financiere), and (b) available during normal business hours and days at the office of the Issuer and at the specified office(s) of the Paying Agent(s). [In addition, this Pricing Supplement and the Offering Circular are available [on/at] [●].]

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.]

1.	**Issuer:**	Seine-et-Marne Department
2.	(i) Series number:	[●]
	(ii) Tranche number:	[●]
	[(iii) Date on which the Notes become fungible (Condition 13):	The Notes shall, upon [admission to trading/issue] be fully assimilated and form a single series with [●] (*insert description of the Series*) issued by the Issuer on [●] (*insert the date*) (the "**Existing Notes**").]
3.	**Specified currency:**	[●]
4.	**Aggregate Nominal Amount of Notes:**	[●]
	(i) Series:	[●]
	(ii) Tranche:	[●]
5.	**Issue price:**	[●] per cent. of the Aggregate Nominal Amount of the Tranche [plus accrued interest from [*insert the date*] (*if applicable*)]
6.	**Specified Denomination(s):**	[●] (*One denomination only for Dematerialised Notes) (at least €100,000 or its equivalent in any other currency or any other greater amount that may be authorised or required by the relevant monetary authority or by any law or regulation applicable to the specified currency)*
7.	**(i) Issue Date:**	[●]
	(ii) Starting Date of the Interest Period:	[●] [*specify*/Issue Date/Not Applicable]
8.	**Maturity Date:**	[●] [*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
9.	**Interest Basis:**	[[●] per cent. Fixed Rate] [[*EURIBOR (or TIBEUR in French) or other*] +/- [●] per cent. Floating Rate] [Zero Coupon Note] [Fixed/Floating Rate Notes] [Other (*specify*)] (further particulars specified below)
10.	**Redemption/Payment Basis:**	[Unless already redeemed or purchased and cancelled, the Notes will be redeemed on the Maturity Date at [100]% of their Specified Denomination.] [Instalment] [Other (*specify*)] *(further details specified below)*
11.	**Change of Interest Basis:**	[Applicable/Not Applicable] (*further details specified in item 16 of this Pricing Supplement*)

12.	**Redemption Options:**	[Noteholder put] [Issuer call] [Other (*specify*)] (further details specified below) [Not Applicable]
13.	**Date of authorisations for issuance of Notes:**	Decision(s) of the President of the Departmental Council (*Conseil Départemental*) of the Issuer dated [●]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	**Fixed Rate Notes Provisions:**	[Applicable/Applicable before the Switch Date/Applicable after the Switch Date/Not Applicable] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Interest Rate(s):	[●] per cent. *per annum* [payable [annually/semi-annually/quarterly/monthly/other (*specify*)] in arrear]
	(ii) Interest Payment Date(s):	[[●] of each year /[●] and [●] of each year/[●], [●],[●] and [●] of each year] up to and including the Maturity Date (*adjust as the case may be*)
	(iii) Fixed Coupon Amount(s):	[●] per [●] in Specified Denomination
	(iv) Broken Amount(s):	[[●] (*insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s) and the Interest Payment Date(s) to which they refer*)/ Not Applicable]
	(v) Day Count Fraction:	[Actual/365] [Actual/365 - FBF] [Actual/Actual - ISDA] [Actual/Actual - ICMA] [Actual/Actual - FBF] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30/360 – FBF] [Actual 30A/360 (American Bond Basis)] [30E/360] [Eurobond Basis] [30E/360 – FBF] [Other (*specify*)]

(vi)	Determination Dates:	[●] in each year *(insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon. Note: N.B.: only applicable when the Day Count Fraction is Actual/Actual – ICMA*)
(vii)	other term(s) and condition(s) relating to the calculation method for Fixed Rate Notes:	[Not applicable/(*specify*)]

15. Floating Rate Notes Provisions:

[Applicable/ Applicable before the Switch Date/Applicable after the Switch Date/Not Applicable]

(*if not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i)	Interest Period(s):	[●]
(ii)	Specified Interest Payment Dates:	[[●] of each year/ [●] and [●] of each year/[●], [●], [●] and [●] of each year] up to and including the Maturity Date (*adjust as the case may be*)
(iii)	First Interest Payment Date:	[●]
(iv)	Interest Period Date:	[Interest Payment Date/Other (*specify*)]
(v)	Business Day Convention:	["Floating Rate" Business Day Convention/ Following Business Day Convention/ Amended "Following" Business Day Convention/ "Preceding" Business Day Convention [/Other *(specify)*] [*insert "unadjusted" if the application of the relevant business day convention is not intended to affect the Interest Amount*]
(vi)	Business Centre(s) (Condition 5(a)):	[●]
(vii)	Manner in which the Rate(s) of Interest is/are to be determined:	[FBF Determination/ Screen Rate Determination]
(viii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent):	[[●] (*specify)*/Not Applicable]
(ix)	FBF Determination:	[Applicable/ Not Applicable]
	- Benchmark:	[●] *(specify Benchmark [EURIBOR (or TIBEUR in French) or other] and months (e.g. EURIBOR 3 months])* *(additional information if necessary)* *(if the Interest Rate is determined by linear interpolation by way of the first and/or last long or short Interest Period, insert the relevant Interest Period(s) and the relevant rates used for the said determination)*
	- Floating Rate Determination Date:	[●]
(x)	Screen Rate Determination:	[Applicable/ Not Applicable]

	- Benchmark:	[●] *(specify Benchmark [EURIBOR (TIBEUR in French) or other])* (if the Interest Rate is determined by linear interpolation in respect of the first and/or last long or short Interest Period, insert the relevant Interest Period(s) and the relevant rates used for the determination described herein)
	- Relevant Rate:	[●]
	- Relevant Time:	[●]
	- Interest Determination Date(s):	[●] – [TARGET] Business Days (*specify the city*) for (*specify the currency*) prior to [●]]
	- Primary Source:	[Screen Page/Reference Banks]
	- Screen page (if Primary Source for Floating Rate is "Screen Page")	[●] (*specify relevant page*)
	- Reference Banks:	[●] (*specify four banks*)
	- Relevant Financial Centre:	[Euro Zone/[●] (*specify the financial centre most closely connected to the Benchmark*)
	- Representative Amount:	[●] (*specify if screen or Reference Banks quotations are to be given in respect of a transaction of a specified notional amount*)
	- Effective Date:	[●] (*specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period*)
	- Specified Duration:	[●] (*specify period for quotation if not duration of Interest Accrual Period*)
(xi)	Margin(s):	[+/-][●]% *per annum*
(xii)	Rate Multiplier:	[Not applicable/[●]]
(xiii)	Minimum Rate of Interest:	[[0]/ [●]]% *per annum*]
(xiv)	Maximum Rate of Interest:	[Not applicable/[●]% *per annum*]
(xv)	Day Count Fraction:	[Actual/365] [Actual/365 - FBF] [Actual/Actual - ISDA] [Actual/Actual - ICMA] [Actual/Actual - FBF] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30/360 – FBF] [Actual 30A/360 (American Bond Basis)] [30E/360] [Eurobond Basis]

			[30E/360 – FBF] [Other *(specify)*]
	(xv)	Fallback provisions, rounding rules, denominator or other terms and conditions relating to the calculation method for Floating Rate Notes, if different from those provided in the Conditions:	Not Applicable/(*specify*)]
16	**Fixed/Floating Rate Notes Provisions:**		[Applicable/Not Applicable] *(if not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Issuer Change of Interest Basis:	[Applicable/Not Applicable]
	(ii)	Automatic change of Interest Basis:	[Applicable/Not Applicable]
	(iii)	Rate of Interest applicable to the Interest Periods [[preceding the Switch Date (excluded) (*if the Switch Date is an Interest Payment Date*)]/[preceding the Accrual Interest Period including the Switch Date]/[up to (and including) the Accrual Interest Period including the Switch Date (*if the Switch Date is not an Interest Payment Date*)]]:	Determined in accordance with [Condition 5(b) as though the Notes were Fixed Rate Notes/Condition 5(c) as though the Notes were Floating Rate Notes], as specified in item [14/15] above of this Pricing Supplement
	(iv)	Rate of Interest applicable to the Interest Periods [[following the Switch Date (included) (*if the Switch Date is an Interest Payment Date*)]/[from the Accrual Interest Period including the Switch Date]/[immediately after the Accrual Interest Period including the Switch Date (*if the Switch Date Is not an Interest Payment Date*)]]:	Determined in accordance with [Condition 5(b) as though the Notes were Fixed Rate Notes/Condition 5(c) as though the Notes were Floating Rate Notes], as specified in item [14/15] above of this Pricing Supplement
	(v)	Switch Date:	[●]
	(vi)	Minimum notice period required for notice from the Issuer:	[[●] Business Days prior to the Switch Date/Not Applicable (*in the case of Automatic change of Interest Basis*)]
	(vii)	Provisions relating to the Fixed/Floating Rate Notes, if different from those provided in the Terms and Conditions of the Notes:	[Not Applicable/(*specify*)]
17.	**Zero Coupon Notes Provisions:**		[Applicable/Not Applicable] *(if not applicable, delete the remaining sub-paragraphs of this paragraph)*

	(i)	Amortisation Yield:	[●]% *per annum*
	(ii)	Day Count Fraction:	[Actual/365] [Actual/365 – FBF] [Actual/Actual – ISDA] [Actual/Actual – ICMA] [Actual/Actual – FBF] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30/360 – FBF] [Actual 30A/360 (American Bond Basis)] [30^{E}/360] [Eurobond Basis] [30^{E}/360 – FBF]
	(iii)	Other formula/method for determining the payable amount:	[Not Applicable/(*specify*)]

PROVISIONS RELATING TO REDEMPTION

18.	**Call Option:**		[Applicable/Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount(s) of each Note:	[●] per [●] in Specified Denomination
	(iii)	If redeemable in part:	
		(a) Minimum Reimbursement Amount:	[[●] per [●] in Specified Denomination/Not Applicable]
		(b) Maximum Redemption Amount:	[[●] per [●] in Specified Denomination/Not Applicable]
	(iv)	Notice Period (if different from the notice period specified in the Terms and Conditions):	[●]
19.	**Put Option:**		[Applicable/Not Applicable] (*if not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount(s) of each Note:	[●] per [●] in Specified Denomination
	(iii)	Notice period (if different from the notice period specified in the Terms and Conditions):	[●]

20.	**Final Redemption Amount of each Note:**	[●] per [●] in Specified Denomination
21.	**Instalment Amounts:**	[Applicable/Not Applicable] (*if not applicable, delete the following sub-paragraphs*)
	(i) Instalment Date(s):	[●]
	(ii) Instalment Amount(s) in respect of each Note:	[●] per Note of [●] in Specified Denomination
	(iii) Minimum Instalment Amount:	[[●]/[●] per Note of [●] in Specified Denomination/Not applicable]
	(iv) Maximum Instalment Amount:	[[●]/[●] per Note of [●] in Specified Denomination/Not Applicable]
	(v) Additional provisions relating to Redemption by Instalments:	[[●]/Not Applicable]
22.	**Early Redemption Amount:**	
	Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(f)) or an event of default (Condition 9) or other early redemption and/or calculation method of this amount, if required or different from that set out in the Terms and Conditions:	[●] per Note of [●] in Specified Denomination
	Redemption for taxation reasons:	
	(i) Redemption at the Early Redemption Amount together with interest accrued to the date fixed for redemption (Condition 6(f)):	[Yes/No]
	(ii) Redemption permitted on days other than Interest Payment Dates (Article 6(f)(ii)):	[Yes/No]
23.	**Purchases (Condition 6(g)):**	The Notes purchased by the Issuer [may be held and resold or cancelled/shall be cancelled] as set out in Condition 6(g)] *(specify whether the Issuer may hold the purchased Notes pursuant to Condition 6(g))*

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24.	**Form of Notes:**	[Dematerialised Notes / Materialised Notes] (*Materialised Notes are only in bearer form*) *(delete as appropriate)*
	(i) Form of Dematerialised Notes:	[Not Applicable/in bearer form (*au porteur*)/ in registered form (*au nominatif*)]
	(ii) Registration Agent:	[Not Applicable / *(if applicable give name and address)*] *(Note that a Registration Agent can be appointed in relation to Dematerialised Notes in fully registered form only)*

	(iii) Temporary Global Certificate:	[Not Applicable / Temporary Global Certificate exchangeable for Definitive Materialised Notes on [●] (the "**Exchange Date**"), being forty (40) calendar days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
25.	**Financial Centre(s) or other special provisions relating to payment dates for the purposes of Condition 7(g):**	[Not Applicable/ (*give details). Note that this paragraph relates to the date and place of payment, and not Interest Period and dates, to which sub-paragraphs 14(ii) and 15(ii) relate*]
26.	**Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature):**	[Yes/No/Not Applicable. (*if yes, give details)*] *(only applicable to Materialised Notes)*
27.	**Body of holders (Condition 11):**	Representative [●] *(specify name and details)* Alternative Representative [●] *(specify name and details)* Remuneration [Applicable/Not Applicable] (*if applicable, specify the amount and the payment date*)
28.	**Other financial terms:**	[Applicable / Not Applicable] (*if applicable, specify*)

GENERAL

	The aggregate principal amount of Notes issued has been translated into Euro at the rate of [●] per cent. Producing a sum of:	[●]

OBJECT OF THE PRICING SUPPLEMENT

This Pricing Supplement comprises the Pricing Supplement required for the issue [and] [admission to trading on [Euronext Paris/ [•] (specify the relevant Regulated Market)]] of the Notes described herein pursuant to the €1,000,000,000 Euro Medium Term Note Programme of the Seine-et-Marne Department.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement. [(*relevant third-party information*)] has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as the Issuer is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted that would render the reproduced information inaccurate or misleading.][7]

Signed on behalf of Seine-et-Marne Department:

By: ____

Duly authorised

PART B – OTHER INFORMATION

1. RISK FACTORS SPECIFIC TO THE NOTES

[Insert any risk factors that are material to the Notes admitted to trading in order to assess the market risk associated with such Notes and that may affect the Issuer's ability to meet its obligations in relation to the Notes and is not covered by the chapter "Risk Factors" of the Offering Circular.]

2. LISTING AND ADMISSION TO TRADING

(i) Admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris/ (*specify relevant Regulated or non-regulated Market*)] with effect from [●]. /Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on (*specify relevant Regulated or non-regulated Market*) with effect from [●]. /Not Applicable] (*where documenting a fungible issue need to indicate that Existing Notes are already admitted to trading*).
(ii) Estimate of total expenses related to admission to trading:	[[●]/Not Applicable]

3. RATINGS

Ratings:	[The Notes to be issued have been/ shall be rated as follows: [Standard & Poor's Global Ratings Europe Limited: [●]] [[Other]: [●]] [[●]/Each of the above agencies] is a credit rating agency established in the European Union, registered in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**") and listed on the website of the European Securities and Markets Authority ("**ESMA**") (www.esma.europa.eu) in accordance with the CRA Regulation.] [[●] is not] / [None of the above rating agencies is] a rating agency established in the United Kingdom and is [not] registered as required by the CRA Regulation as it forms part of domestic law by virtue of the [European Union (Withdrawal) Act 2018/EUWA] (the "**UK CRA Regulation**"). However, the rating(s) of the Notes [has/have] been approved by [●] in accordance with the UK CRA Regulation and [has/have] not been withdrawn. Therefore, the rating[s] issued by [●] / [each of the above rating agencies] can be used for regulatory purposes in the United Kingdom in accordance with the UK CRA Regulation.] [The Notes shall not be rated.]

4. **[OTHER ADVISORS**

If advisors are mentioned in this Pricing Supplement, specify the capacity in which the advisors have acted.]

5. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

The object of this section is to describe any interest, including conflicting ones, which may be material to the issue of the Notes, detailing the persons involved and the nature of the interest. This may be satisfied by the inclusion of the following statement: "Save for any fees payable to the Dealer(s) in accordance with the chapter "Subscription and Sale" of the Offering Circular, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer".]

6. **[Fixed Rate Notes only – YIELD**

Indication of yield:	[●]% *per annum*. The yield is calculated on the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

7. **[Floating Rate Notes only – BENCHMARKS**

Benchmarks:	Amounts payable under the Notes shall be calculated by reference to [●] that is provided by [●]. On [●], [●] [appears/does not appear] on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of Regulation (EU) 2016/1011 of the European Parliament and of the Council dated 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as amended [(the "**Benchmark Regulation**"). [As far as the Issuer is aware, [[●] is not required to be registered pursuant to Article 2 of the Benchmark Regulation] / [the transitional provisions in Article 51 of the Benchmark Regulation apply, such that [●] is not currently required to obtain authorisation or registration, or, if located outside the European Union, recognition, endorsement, or any equivalent procedure.]]

8. **OPERATIONAL INFORMATION**

ISIN Code:	[●]
Common Code:	[●]
Depositaries:	
(a) Euroclear France to act as Central Depositary:	[Yes/No]
(b) Common Depositary for Euroclear Bank and Clearstream Banking, SA:	[Yes/No]
Any clearing system(s) other than Euroclear Bank and Clearstream Banking, SA, and the relevant identification number(s):	[Not Applicable/(*give name(s) and number(s) and address(es)*)]
Delivery:	Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) designated in respect of the Notes (if any):	[●]
Name and address of the Calculation Agent(s), designated in respect of the Notes (if any):	[●]

9. DISTRIBUTION

Method of distribution	[Syndicated/Not syndicated]
(i) If syndicated, names of the Members of the Placing Syndicate:	[Not applicable/(*indicate names*)]
(ii) Institution(s) in charge of the Stabilisation Operations (as appropriate):	[Not applicable/(*indicate names*)]
(iii) If not syndicated, name of the Placing Agent:	[Not applicable/(*specify names*)]
(iv) Selling restrictions - United States of America:	[Reg. S Compliance Category 1; TEFRA C/ TEFRA D/ TEFRA not applicable] (TEFRA are not applicable to Dematerialised Notes)
(iv) Supplementary selling restrictions:	[Not Applicable/*specify*]

SUBSCRIPTION AND SALE

Words and expressions defined in "Terms and Conditions of the Notes" above shall have the same meanings in this chapter.

Subject to the terms and on the conditions contained in an amended and restated dealer agreement in the French language dated 21 April 2022, entered into between the Issuer, the Arranger and the Permanent Dealers (as amended from time to time, the "**Dealer Agreement**"), the Notes shall be offered by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer (as defined in the chapter "General Description of the Programme"). The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer shall pay each relevant Dealer a commission (if any) as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for its expenses incurred in connection with the update of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling restrictions

General

These selling restrictions may be amended and/or supplemented by the agreement of the Issuer and the Dealers in particular following a change in a relevant law, regulation or directive. Any such modification will be set out in an Amendment (as defined in the chapter "Amendment to the Offering Circular") to this Offering Circular or in Pricing Supplement relative to the issue of Notes to which it relates.

Each Dealer has agreed that it will comply, to the best of its knowledge, with all relevant laws, regulations, and directives in each jurisdiction or territory in which it purchases, offers, sells, or delivers Notes or has in its possession or distributes the Offering Circular, any other offering material, or any Pricing Supplement and neither the Issuer nor any other Dealer shall have responsibility for the actions of another Dealer.

Materialised Notes shall only be issued outside France.

European Economic Area

Without prejudice to the applicable laws and regulations of any Member State of the EEA, the Issuer, as a local authority of a Member State of the EEA, is not subject to the provisions of regulation (EU) No. 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended[8] (the "**Prospectus Regulation**") and is therefore not subject to the requirements relating to the preparation, approval and distribution of the prospectus laid down in the Prospectus Regulation.

United States of America

The Notes have not been and will not be registered under the under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered, sold or, in the case of Materialised Notes, delivered within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

Materialised Notes having a maturity of more than one (1) year are subject to U.S. federal income tax law requirements and may not be offered, sold, or delivered within the United States or its possessions or to a U.S.

[8] Article 2.d) of the Prospectus Regulation.

person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

The Notes are offered and sold outside the United States and to non-U.S. persons in accordance with Regulation S. In addition, the offer or sale by any Dealer (whether or not participating in the offering of the particular Tranche of Notes) of Notes within the United States of America during the first forty (40) calendar days after the start of the offering of a particular Tranche of Notes may constitute an infringement of the registration requirements of the US Securities Act.

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, as a whole or in part, for any reason whatsoever. This Offering Circular does not constitute an offer to any person in the United States. Distribution of this Offering Circular by any person to any U.S. person or to any other person within the United States is unauthorised and any disclosure without prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States is prohibited.

United Kingdom

Each Dealer has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in 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 in circumstances in which Section 21(1) of the FSMA does not or will not apply to the Issuer; and

(b) it has complied and shall comply with all provisions of the FSMA applicable to anything that it does with regard to the Notes, whether in the United Kingdom, from the United Kingdom or under any other circumstances involving the United Kingdom.

GENERAL INFORMATION

(1) The Issuer has obtained all necessary corporate and other consents, approvals, and authorisations in France in connection with the update of the Programme, which was the subject of decision No. CG-2012/04/13-7/01 of the General Council (*Conseil Général*) of the Issuer dated 13 April 2012 and a decision DECISION/2022/21/DF/SDDTC of the President of the Departmental Council of the Issuer dated 7 March 2022.

In accordance with deliberation No. CD-2021/12/16-7/03 of the Departmental Council (*Conseil Départemental*) of the Issuer dated 16 December 2021, the Departmental Council of the Issuer authorised its President to realise issues of bonds within the 2022 budgetary period up to the limits of the amounts recorded in the budget.

The Issuer's budget for 2022 adopted pursuant to decision No. CD-2021/12/16-7/01 A of the Departmental General Council of the Issuer dated 16 December 2021authorises borrowings in euros for 2022 up to a maximum amount of €159,199,674.

(2) The LEI of the Issuer is 969500V08Y2PG8JTLG42.

(3) There has been no significant change (a) in the fiscal and budgetary systems, (b) in gross public debt, (c) in the trade balance and the payments balance, (d) in foreign exchange reserves, (e) in the financial situation and resources, or (f) in the revenue and expenses of the Issuer since 31 December 2020.

(4) The Issuer is not or has not been involved in a governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which the Issuer is aware), during a period covering the twelve (12) months preceding this Offering Circular which may have, or have had in the recent past, significant effects on the financial position of the Issuer.

(5) Application may be made for Notes to be accepted for clearance through Euroclear France (66, rue de la Victoire, 75009 Paris, France) and/or Euroclear (boulevard du Roi Albert II, 1210 Bruxelles, Belgique) and Clearstream (42 avenue JF Kennedy, 1855 Luxembourg, Luxembourg). The Common Code and the ISIN Code (International Securities Identification Number) or the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Pricing Supplement.

(6) In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the "**Stabilising Manager(s)**") (or persons acting on behalf of any Stabilising Manager(s)) in the relevant Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail (the "**Stabilising Transactions**"). There is nevertheless no assurance that the Stabilising Manager (or any person acting on behalf of a Stabilising Manager) will undertake such Stabilising Operations. Such Stabilising Operations may only begin as from the date on which the Pricing Supplement of the offer of the relevant Tranche have been made public and, if begun, may be ended at any time, but must end no later than the earlier of the following two (2) dates: (i) thirty (30) calendar days after the issue date of the relevant Tranche and (ii) sixty (60) calendar days after the date of the allotment of the relevant Tranche. Such Stabilising Operations shall be conducted by the Stabilising Manager (or any person acting on behalf of any Stabilising Manager) in accordance with all applicable laws and rules.

(7) Amounts payable under the Notes may be calculated by reference to EURIBOR (or TIBEUR in French) which is provided by the European Money Markets Institute ("**EMMI**") or any other rate as indicated in the relevant Pricing Supplement. On the date of this Offering Circular, the EMMI is listed on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks for financial instruments and contracts or to measure the performance of investment funds, as amended (the "**Regulation on Benchmark Indices**"). The registration status of any director by virtue of the Benchmark Index Regulations is publicly available and, except where required by law, the Issuer does not intend to update this Information Memorandum or the applicable Pricing Supplement to reflect any change in connection with the registration of any director.

(8) The Notes have not and shall not form the object of a registration by virtue of the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or of a registration with any state or other U.S. securities regulatory authority and the Notes may include Materialised Notes in bearer form, subject to the provisions of U.S. tax law. Subject to certain exceptions, the Notes may not be offered or sold or, in the case of Materialised Notes in bearer form, delivered within the United States or to, or for the account or benefit of, U.S. persons, as defined in Regulation S under Securities Act ("**Regulation S**") or, in the case of certain

Materialised Notes in bearer form, the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder. The Notes are being offered and sold outside the United States of America to non-U.S. persons in reliance on Regulation S.

(9) In this Offering Circular, unless otherwise specified or the context otherwise requires, references to "€", "Euro", "euro" or "EUR" are to the lawful currency of the Member States of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Economic Community, as amended, references to "£", "pounds sterling" and "Sterling" are to the lawful currency of the United Kingdom, references to "$", "USD" and "US Dollar" are to the lawful currency of the United States of America, references to "¥", "JPY" and "Yen" are to the lawful currency of Japan and references to "CHF" and "Swiss Francs" are to the lawful currency of the Swiss Confederation.

(10) This Offering Circular and any Amendment thereto, if any, and, for as long as the Notes are admitted to trading on a Regulated Market, the Pricing Supplement applicable to such Notes shall be (a) published on the website of the Issuer (https://seine-et-marne.fr/fr/notation-financiere) and (b) available for inspection and copy, free of charges, during normal business days and hours, at the office of the Issuer and at the specified office(s) of the Paying Agent(s).

(11) For as long as Notes issued under this Programme are outstanding, copies of the following documents shall, when published, be available, without charges, during normal business days and hours, at the office of the Issuer and at the specified office(s) of the Paying Agent(s):

(i) the two most recent primary budgets (*budgets primitifs*) (as amended, as the case may be, by a supplementary budget) and the most recent published administrative accounts (*comptes administratifs*) of the Issuer;

(ii) the Pricing Supplement related to Notes admitted to trading on Euronext Paris or on any other Regulated Market;

(iii) this Offering Circular, any Amendment (as defined in the chapter "Amendment to the Offering Circular") to this Offering Circular, or any new offering circular;

(iv) the Agency Agreement in the French language (which includes the form of the *lettre comptable*, of the Temporary Global Certificates, of the Definitive Materialised Notes, of the Coupons, of the Receipts and of the Talons);

(v) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request, any part of which is included or referred to in this Offering Circular or any Amendment thereto.

RESPONSIBILITY IN RELATION TO THE OFFERING CIRCULAR

Person responsible for the information given in this Offering Circular

In the name of the Issuer

I hereby accept responsibility for the information contained or incorporated (or deemed to be incorporated) by reference in this Offering Circular. After having taken all reasonable measures in this regard, I hereby certify that all the information contained or incorporated (or deemed to be incorporated) by reference in this Offering Circular is, to the best of my knowledge, in accordance with the facts and omits no elements likely to affect its import.

Melun, 21 April 2022

Seine-et-Marne Department

Hôtel du Département

12 rue des Saints-Pères

77000 Melun

France

Represented by:

Mr Christophe DENIOT,

Director General of Services of the Seine-et-Marne Department

Issuer

Seine-et-Marne Department

Hôtel du Département

12, rue des Saints-Pères

77000 Melun

Arranger

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92547 Montrouge Cedex
France

Permanent Dealers

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France

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France

Crédit Mutuel Arkéa

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France

HSBC Continental Europe

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75016 Paris
France

Natixis
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75013 Paris
France

Société Générale
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75009 Paris
France

Fiscal Agent, Principal Paying Agent and Calculation Agent

CACEIS Corporate Trust

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75013 Paris

France

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to the Issuer

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to the Arranger and the Permanent Dealers

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