

**Final Terms dated 03 February 2016**  
**AXA BELGIUM FINANCE (NL) B.V.**  
Issue of “**OPTINOTE MEGATRENDS**”  
Guaranteed by AXA BANK EUROPE SA  
under the  
**AXA BELGIUM FINANCE (NL) B.V.**  
and  
**AXA BANK EUROPE SA**  
**EUR 2,000,000,000**  
**Notes Issuance Programme**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus dated 14 September 2015, which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). **This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus and any supplement thereto.** These Final Terms and the Base Prospectus together constitute the Programme for the Tranche. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for inspection at the office of the Guarantor and the office of the Issuer.

**General Description on the Notes**

The Notes have a maturity of 10 years until the 22<sup>nd</sup> of April 2026.

The Notes generate, on each Interest Payment Date, a Variable Interest (a coupon) between 0% and 4.00% in function of the closing of the Solactive - Global Megatrends Index (Price) Index on each relevant Valuation Date.

If, for each Interest Payment Date, on the relevant Valuation Date, the Price of the Index is higher than its Initial Price, the gross coupon will be determined as the positive performance of the Index, divided by the number of years since the Issue Date, with a maximum of 4.00%; if on the relevant Valuation Date, the Price of the Index is lower than the Initial Price, the coupon will be 0%.

The Notes will be redeemed at Maturity Date at par (100%).

The Notes are unconditionally and irrevocably guaranteed by AXA BANK EUROPE SA.

1	(i)	Issuer:	AXA BELGIUM FINANCE (NL) B.V.
	(ii)	Guarantor:	AXA BANK EUROPE SA
	(iii)	Calculation Agent:	AXA BANK EUROPE SA
2	(i)	Series Number:	63
	(ii)	Tranche Number:	1
3		Specified Currency or Currencies:	EUR
4		Maximum Amount:	

	(i) Series:	EUR 150,000,000
	(ii) Tranche:	EUR 150,000,000
5	Minimum Amount:	
	(i) Series:	EUR 5,000,000
	(ii) Tranche:	EUR 5,000,000
6	Offering Period:	From 29 February 2016 to and including 15 April 2016 (except in case of early closing)
7	Issue Price:	100 per cent.
8	Brokerage Fee:	None
9	Denominations:	EUR 1,000
10	(i) Issue Date:	22 April 2016
	(ii) Interest Commencement Date:	Not applicable
11	Maturity Date:	22 April 2026
12	Interest Basis:	Variable Linked Rate
13	Redemption/Payment Basis:	Redemption at par
14	Change of Interest or Redemption/Payment Basis:	Not Applicable
15	Call Options:	Not Applicable
16	Mandatory Early Redemption	Not Applicable
17	Status of the Notes:	Senior Notes
18	Date approval for issuance of Notes obtained:	Not Applicable
19	Form of Notes	Bearer Notes
20	New Global Note	Not Applicable

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

21	<b>Fixed Rate Note Provisions</b>	Not Applicable
22	<b>Floating Rate Note Provisions</b>	Not Applicable
23	<b>Zero Coupon Note Provisions</b>	Not Applicable

24 **Variable Linked Rate Note Provisions** Applicable

(i) Underlying: Share Index

(ii) Variable Linked Rate: On each annual Interest Payment Date (t) :

$$MAX \left( 0\%, MIN \left[ \frac{\left( \frac{Price(k) - Initial Price}{Initial Price} \right)}{k}; 4\% \right] \right)$$

Where :

k = 1 to 10 and represents the serial number of the relevant Valuation Date

Price (k) = the level of the Share Index on each annual Valuation Date (k) (for k=1 to 10)

Initial Price = the level of the Share Index on the Initial Valuation Date

(iii) Interest Payment Date(s):

t	Payment Dates
t=1	24 April 2017
t=2	23 April 2018
t=3	23 April 2019
t=4	22 April 2020
t=5	22 April 2021
t=6	22 April 2022
t=7	24 April 2023
t=8	22 April 2024
t=9	22 April 2025
t=10	22 April 2026

(iv) Business Days: TARGET Settlement Day, subject to adjustment according to the Business Day Convention

(v) Business Day Convention: Following

#### PROVISIONS RELATING TO REDEMPTION

25 **Call Option** Not Applicable

26 **Mandatory Early Redemption** Not Applicable

27 **Redemption Amount(s) of each Note** EUR 1,000 per Note of EUR 1,000 Denomination

**Partial Redemption** Not Applicable

#### VARIABLE LINKED PROVISIONS

(i) **Index:** Global Megatrends Index (Price) Index  
(ISIN: DE000SLA1F56)  
Index Sponsor: Solactive(or any succeeding sponsor)

(ii) **Exchange:** In respect of each component security of the Share Index, the principal stock exchange on which such component security is principally traded, as determined by the Calculation Agent

(iii) **Related Exchange:** All Exchanges

(iv) **Valuation Date(s):**

k	Valuation Date (k)
k=1	18 April 2017
k=2	16 April 2018
k=3	15 April 2019
k=4	15 April 2020
k=5	15 April 2021
k=6	19 April 2022
k=7	17 April 2023
k=8	15 April 2024
k=9	15 April 2025
k=10	15 April 2026

(v) **Initial Valuation Date:** 22 April 2016

(v) **Initial Price:** The price of the Index on the Scheduled Closing Time on the Initial Valuation Date

(vi) **Not Applicable Extraordinary Event(s)** Hedging Disruption  
Increased Cost of Hedging

#### LISTING AND ADMISSION TO TRADING

(i) **Admission to trading:** Not Applicable

(ii) Estimate of total expenses related to admission to trading: Not Applicable

#### **DISTRIBUTION**

Dealer(s): AXA BANK EUROPE SA

#### **OPERATIONAL INFORMATION**

ISIN Code: XS1361555557  
Common Code: 136155555  
Clearing System(s): Euroclear/Clearstream  
Principal Paying Agent: Banque Internationale à Luxembourg (BIL)  
Paying Agent: AXA BANK EUROPE SA

#### **SECONDARY MARKET**

After the Initial Valuation Date, the price of the Notes will be calculated as follows:

Except in case of exceptional market conditions, AXA BANK EUROPE SA agrees to provide on a daily basis bid prices taking into account the valuation of the underlying financial structure and including a margin of maximum 1% and to buy Notes for a minimum Nominal Amount of EUR 1,000 (one thousand Euro). Prices of the Notes are subject to the then applicable market conditions, interest rates, forward rates, credit spreads of the relevant Issuer or the Guarantor as applicable, etc. These prices are based on the closing market conditions of the relevant date.

In case of sale of the Notes before maturity, the sale proceeds can be lower than the Redemption Amount.

AXA BANK EUROPE will provide an official confirmation of any Secondary Market Transaction in the week following the Trade Date of this Secondary Market Transaction.

Maximum Spread: Not Applicable  
Maximum Commission: Not Applicable  
Maximum Exit Penalty: Not Applicable

**RESPONSIBILITY**

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By:

Duly authorised

Signed on behalf of the Guarantor:

By:

Duly authorised

## PART B – SIMULATIONS AND OTHER INFORMATION

*These simulations are fictitious examples and by no means represent reliable indicators.*

### Negative

Year	Value on the relevant valuation date	Evolution	Performance on annual basis	Gross coupon
Initial value	100			
Year 1	90	-10.00%	-10.00%	0.00%
Year 2	78	-22.00%	-11.00%	0.00%
Year 3	75	-25.00%	-8.33%	0.00%
Year 4	85	-15.00%	-3.75%	0.00%
Year 5	90	-10.00%	-2.00%	0.00%
Year 6	86	-14.00%	-2.33%	0.00%
Year 7	84	-16.00%	-2.29%	0.00%
Year 8	92	-8.00%	-1.00%	0.00%
Year 9	95	-5.00%	-0.56%	0.00%
Year 10	97	-3.00%	-0.30%	0.00%

### Neutral

Year	Value on the relevant valuation date	Evolution	Performance on annual basis	Gross coupon
Initial value	100			
Year 1	101	1.00%	1.00%	1.00%
Year 2	107	7.00%	3.50%	3.50%
Year 3	102	2.00%	0.67%	0.67%
Year 4	96	-4.00%	-1.00%	0.00%
Year 5	103	3.00%	0.60%	0.60%
Year 6	107	7.00%	1.17%	1.17%
Year 7	110	10.00%	1.43%	1.43%
Year 8	116	16.00%	2.00%	2.00%
Year 9	114	14.00%	1.56%	1.56%
Year 10	125	25.00%	2.50%	2.50%

### Positive

Year	Value on the relevant valuation date	Evolution	Performance on annual basis	Gross coupon
Initial value	100			
Year 1	103	3.00%	3.00%	3.00%

Year 2	106	6.00%	3.00%	3.00%
Year 3	108	8.00%	2.67%	2.67%
Year 4	115	15.00%	3.75%	3.75%
Year 5	122	22.00%	4.40%	4.00%
Year 6	118	18.00%	3.00%	3.00%
Year 7	122	22.00%	3.14%	3.14%
Year 8	123	23.00%	2.88%	2.88%
Year 9	128	28.00%	3.11%	3.11%
Year 10	136	36.00%	3.60%	3.60%

## PART C – SUMMARY

# Summary of the AXA BELGIUM FINANCE (NL) B.V. and AXA BANK EUROPE SA NOTES ISSUANCE PROGRAMME EUR 2,000,000,000

## Introduction and warnings

- A.1 **Warning: This Summary should be read as introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a Court in an EEA State, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.**
- A.2 The Issuer authorises that this Base Prospectus, as supplemented from time to time, may be used for the purposes of a public offer within 12 months from the date of this Base Prospectus in Belgium, by any credit institution authorised pursuant to Directive 2006/48/EC or any investment firm authorised pursuant to Directive 2004/39/EC to conduct such offers (an Authorised Offeror).
- Each offer and each sale of the Notes by an Authorised Offeror will be made in accordance with the terms and conditions agreed between such Authorised Offeror and the investor, including in relation to the price, the allocation and the costs and/or taxes to be borne by an investor. The Issuer is not a party to any arrangements or terms and conditions in connection with the offer and sale of the Notes between the Authorised Offeror and an investor. This Base Prospectus does not contain the terms and conditions of any Authorised Offeror.**

## Issuers and guarantor

Issuer: AXA BELGIUM FINANCE (NL) B.V.

### B.1 Legal and commercial name of the Issuer

Legal name: AXA BELGIUM FINANCE (NL) B.V.

Commercial name: AXA BELGIUM FINANCE (NL) B.V. ("ABF(NL)")

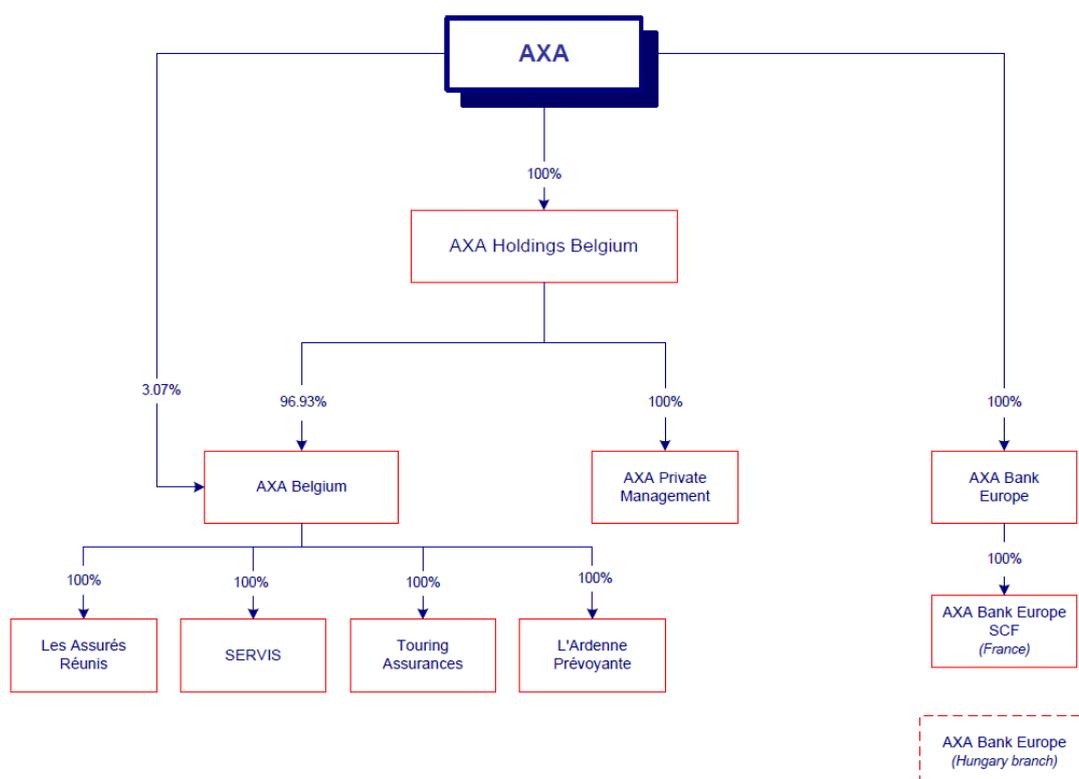
### B.2 Domicile, legal form, legislation and country of incorporation

ABF(NL) was incorporated as a "besloten vennootschap" for an unlimited duration under the laws of the Netherlands on 30 October 1990 under the name of Ippa Finance Company B.V. On 21 March 2000 the name was changed to AXA Belgium Finance (NL) B.V. Its registered office is in Amsterdam and its business address is at 4835 NA Breda, Ginnekenweg 213 (The Netherlands).

### B.4b Trends affecting the Issuer and its industry

See B.4b for AXA BANK EUROPE NV.

### B.5 Position of the Issuer in its group



ABF(NL) is a wholly owned subsidiary of AXA BANK EUROPE and is part of the international group AXA ("AXA"). There is no arrangement that may result in a change of control of ABF(NL).

ABF(NL) acts as a finance company. ABF(NL) issues notes in the market, whereby proceeds of the issued notes are fully lent on to AXA BANK EUROPE or other entities of the AXA Group.

There have been no material contracts that are not entered into in the ordinary course of ABF(NL)'s business which could result in any member of the AXA group being under an entitlement that is material to ABF(NL)'s ability to meet its obligations to Noteholders.

### B.9 Profit forecast or estimate

ABF(NL) does not disclose forecasts or estimations of its future results.

### B.10 Qualifications in the audit report on the historical financial information

The relevant auditor's report with respect to the audited annual accounts of ABF(NL) for the years ended 31 December 2013 and 31 December 2014 were delivered without any reservations.

### B.12 Selected historical key financial information

<b>AXA BELGIUM FINANCE (NL) BV</b>		
Summary per 31/12/2014 (in '000 EUR)		
	<b>31/12/2014</b>	<b>31/12/2013</b>
<b>Assets</b>	<b>1.652.631</b>	<b>1.379.270</b>
<b>Shareholders' Equity</b>	<b>4.564</b>	<b>3.853</b>
<b>Liabilities</b>	<b>1.648.067</b>	<b>1.375.417</b>
<b>Profit</b>	<b>711</b>	<b>738</b>

Interim key figures for the six months ended on June 30th, 2015 (unaudited):

<b>Balance sheet (in'000EUR)</b>	<b>30/06/2015</b>	<b>31/12/2014</b>
<i>Fixed Assets</i>	1.670.017	1.652.631
<i>Shareholders' Equity</i>	4.956	4.564
<i>Liabilities</i>	1.665.061	1.648.067
	<b>30/06/2015</b>	<b>30/6/2014</b>
<b>Profit</b>	392	389

#### **Material adverse change in the prospects**

There has been no material adverse change in the prospects of ABF(NL) since 31 December 2014.

#### **Significant changes in the financial or trading position**

There has been no material adverse change in the financial or trading position of ABF(NL) since 31 December 2014.

#### **B.13 Recent events relevant to the evaluation of the Issuer's solvency**

ABF(NL) has made no investments since the date of the last published financial statements, and no principal future investments are planned. In addition, there has been no material adverse change in the prospects of ABF (NL) since 31 December 2014.

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which ABF (NL) is aware, during the last 12 months, which may have, or have had in the recent past, significant effects on ABF (NL)'s financial position or profitability.

#### **B.14 Dependence upon other entities within the group**

See B.5

#### **B.15 Principal activities**

ABF(NL) acts as a finance company. ABF(NL) issues notes in the market, whereby the proceeds of the issued notes are fully on-lent to AXA BANK or other entities of the AXA Group.

#### **B.16 Direct or indirect control over the Issuer**

ABF(NL) is fully owned and controlled by AXA BANK EUROPE.

#### **B.17 Credit ratings assigned to the Issuer or its debt securities**

Not applicable.

#### **B.18 Nature and scope of the guarantees**

Notes issued by ABF(NL) are guaranteed by AXA BANK.

The guarantee can be 'Senior' (for 'Senior Notes') or can be 'Senior Subordinated' (for 'Senior Subordinated Notes'):

- Under the Senior Guarantee, the obligations of the AXA BANK will have the same priority as the other obligations of AXA BANK belonging to the same category (i.e. direct, unsecured, unconditional and unsubordinated obligations). This category (the 'ordinary creditors') has however a lower priority than the 'privileged creditors' (such as ONSS, State, Employees, etc.)
- Under the Subordinated Guarantee, the obligations of the AXA BANK will have the same priority as the other obligations belonging to the same category (i.e. direct, unsecured, unconditional and senior subordinated obligations). This category has a lower priority than the 'privileged creditors' and 'ordinary creditors', but a higher priority than junior subordinated creditors or stakeholders.

#### B.19 Information about the guarantor

See below information about AXA BANK EUROPE SA.

**Guarantor:**  
**AXA BANK EUROPE SA**

#### B.1 Legal and commercial name of the Guarantor

Legal name: AXA BANK EUROPE SA

Commercial name: AXA BANK or AXA BANQUE

#### B.2 Domicile, legal form, legislation and country of incorporation

AXA BANK EUROPE SA ("AXA BANK") is a "naamloze vennootschap/société anonyme" of unlimited duration incorporated under Belgian law and registered with the Crossroads Bank for Enterprises under business identification number 0404.476.835. Its registered office is at 1170 Brussels, boulevard du Souverain 25, Belgium.

#### B.4b Trends affecting the Guarantor and its industry

1. *Uncertain economic conditions*

AXA BANK's business activities are dependent on the level of banking, finance and financial services required by its customers. Also, the market for debt securities issued by banks is influenced by economic and market conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in other European and other countries. The profitability of the bank's businesses could, therefore, be adversely affected by a worsening of general economic conditions in its markets, as well as by foreign and domestic trading market conditions and/or related factors, including governmental policies and initiatives.

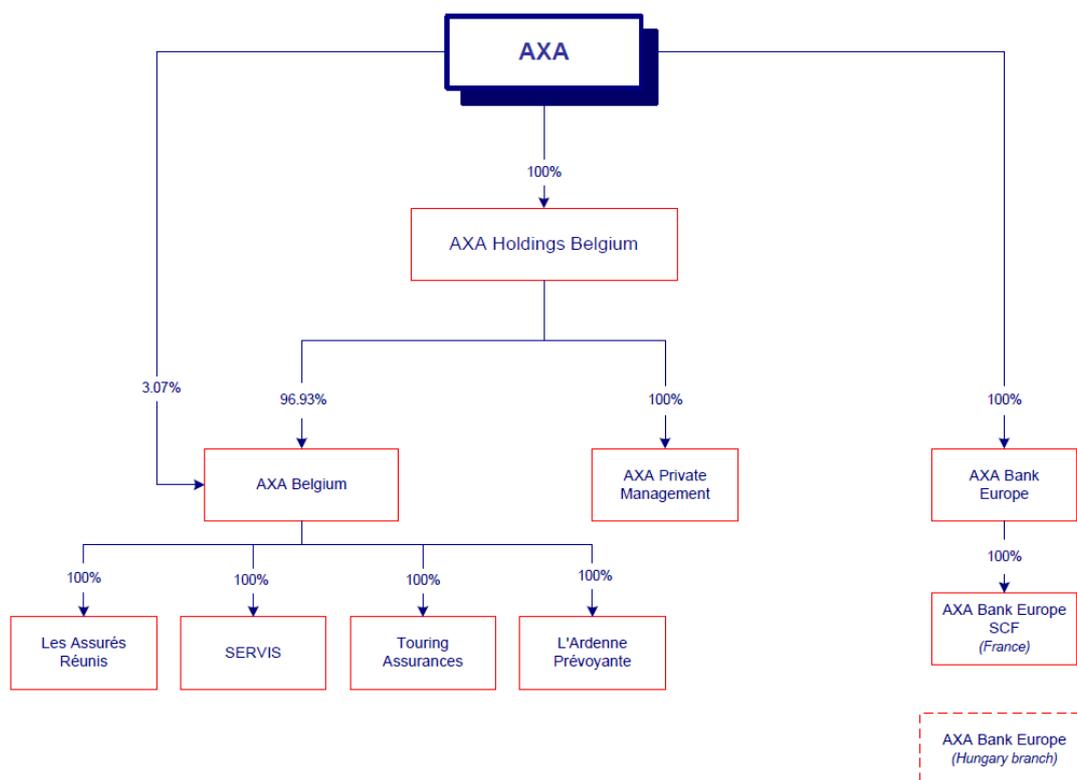
2. *Global financial crisis and Eurozone debt crisis*

The global financial system has suffered considerable turbulence and uncertainty in recent years and the outlook for the global economy over the near to medium term remains challenging. The default, or a significant decline in the credit rating, of one or more sovereigns or financial institutions could cause severe stress in the financial system generally and could adversely affect the markets in which AXA BANK operates.

3. *Increased and changing regulation*

Recent developments in the global markets have led to an increase in the involvement of various governmental and regulatory authorities in the financial sector and in the operations of financial institutions. In particular, governmental and regulatory authorities in Europe have already provided additional capital and funding requirements and or may in the future be introducing a significantly more restrictive regulatory environment including new accounting and capital adequacy rules, restrictions on termination payments for key personnel and new regulation of derivative instruments. Current regulation together with future regulatory developments could have an adverse effect on how AXA BANK conducts its business and on the result of the operations.

#### B.5 Position of the Guarantor in its group



AXA BANK EUROPE SA is a member of the AXA Group. AXA Group is an important global player whose ambition is to attain leadership in its core Financial Protection business. Financial Protection involves offering its customers - individuals as well as small, mid-size businesses - a wide range of products and services that meet their insurance, protection, savings, retirement and financial planning needs throughout their lives. Furthermore AXA BANK EUROPE offers hedging services to entities of the AXA Group.

#### B.9 Profit forecast or estimate

AXA BANK EUROPE does not disclose forecasts on its future results.

#### B.10 Qualifications in the audit report on the historical financial information

The relevant auditor's report with respect to the audited annual accounts of AXA BANK for the years ended 31 December 2013 and 31 December 2014 were delivered without any reservations.

#### B.12 Selected historical key financial information

<b>AXA BANK EUROPE NV</b>		
Summary per 31/12/2014 (in '000 EUR)		
	<b>31/12/2014</b>	<b>31/12/2013</b>
<b>Assets</b>	42,641,694	36,885,750
<b>Equity</b>	1,121,769	796,882
<b>Liabilities</b>	41,519,925	36,088,869
<b>Profit/Loss</b>	- 48,150	- 12,223

#### Material adverse change in the prospects

There has been no material adverse change in the prospects of AXA BANK since 31 December 2014.

#### Significant changes in the financial or trading position

There has been no material adverse change in the financial or trading position of AXA BANK since 31 December 2014.

AXA BANK EUROPE announced on 3 February 2016 that it has entered into an agreement to sell its Hungarian banking operations. Completion of the transaction is subject to customary conditions, including obtaining required regulatory approvals, and should be finalized during the second semester of 2016.

**B.13 Recent events relevant to the evaluation of the Guarantor's solvency**

AXA BANK has made no investments since the date of the last published financial statements, and no principal future investments are planned.

AXA BANK EUROPE announced on 3 February 2016 that it has entered into an agreement to sell its Hungarian banking operations. Completion of the transaction is subject to customary conditions, including obtaining required regulatory approvals, and should be finalized during the second semester of 2016.

In addition, there has been no material adverse change in the prospects of AXA BANK since 31 December 2014.

In 2013, AXA Bank Europe has been indicted in connection with credits marketed to French property professionals in the '80s by Anhyp. AXA BANK is contesting the legitimacy of the claim and is currently contesting the referral to the criminal court.

There have been no other governmental, legal and arbitration proceedings (during a period covering the last 12 months) which may have, or have had in the recent past, significant effects on AXA BANK's financial position or profitability.

**B.14 Dependence upon other entities within the group**

See B.5

**B.15 Principal activities**

AXA BANK's object is to carry out the business of a credit institution. It is a member of the AXA Group, an important global player in the financial protection offering a wide range of products and services that meet the client's insurance, protection, savings, retirement and financial planning needs.

**B.16 Direct or indirect control over the [Issuer] or [Guarantor]**

AXA BANK is fully owned by AXA SA. The organizational structure of AXA BANK is based on a clear split between Supervisory and effective management accountabilities. The auditor of the bank is PricewaterhouseCoopers Bedrijfsrevisoren CVBA.

**B.17 Credit ratings assigned to the [Issuer] or [Guarantor] or its debt securities**

The current ratings of AXA BANK are A/A-1, with outlook 'Stable' (Standard & Poors) and A2/P-1 with stable outlook (Moody's).

- 2010 S&P: A+/A-1/Stable outlook
- 2011 S&P: A+/A-1/Negative outlook  
Moody's: A2/P-1/Stable outlook
- 2012 S&P: A+/A-1/Negative outlook  
Moody's: A2/P-1/Negative outlook
- 19 Dec 2012 S&P: A/A-1/Stable outlook  
Moody's: A2/P-1/Negative outlook
- 25 May 2014 S&P: A/A-1/Stable outlook  
Moody's: A2/P-1/Stable outlook
- 15 Oct 2014 S&P: A/A-1/Positive outlook  
Moody's: A2/P-1/Stable outlook

**B.18 Nature and scope of the guarantee**

Not applicable (AXA BANK as Issuer).

**B.19 Information about the Guarantor**

Not applicable (AXA BANK as Issuer).

## Securities

**C.1 Type, class and identification number**

Senior Notes in bearer form

ISIN code: XS1361555557

**C.2 Currency**

EURO (EUR)

**C.5 Restrictions on the free transferability**

None (except to U.S. persons)

**C.8 Rights attached to the securities including ranking and limitations to those rights**

The Notes are governed by and construed in accordance with Belgian Law.

The Notes are direct, unconditional and unsecured obligations of the Issuer and rank without any preference among themselves, with all other obligations of the Issuer of the same category, only to the extent permitted by laws relating to creditor's rights. This category can be seen as the "ordinary creditors" and has a lower priority than the "privileged creditors" (ONSS, State, Employees, etc)

**C.9 Underlying on which the rate is based**

Share index: Solactive Global Megatrends (Price) Index

**Issue date, maturity date and arrangements for the amortization of the loan, including the repayment procedures**

Issue Date: 22 April 2016

Maturity Date: 22 April 2026

Redemption Amount of each Note: EUR 1,000 per Note of EUR 1,000 Denomination

**C.10 How is the value of the securities affected by the value of the underlying instrument(s)?**

On each annual Interest Payment Date (t) :

$$\text{MAX} \left( 0\%, \text{MIN} \left[ \frac{\left( \frac{\text{Price}(k) - \text{Initial Price}}{\text{Initial Price}} \right)}{k}; 4\% \right] \right)$$

Where :

k = 1 to 10 and represents the serial number of the relevant Valuation Date

Price (k) = the level of the Share Index on each annual Valuation Date (k) (for k=1 to 10)

Initial Price = the level of the Share Index on the Initial Valuation Date

And where:

Each Interest Payment Date (t) is:

t	Payment Dates
t=1	24 April 2017
t=2	23 April 2018
t=3	23 April 2019
t=4	22 April 2020
t=5	22 April 2021
t=6	22 April 2022
t=7	24 April 2023
t=8	22 April 2024
t=9	22 April 2025
t=10	22 April 2026

Each Valuation Date (k) is:

k	Valuation Date (k)
k=1	18 April 2017
k=2	16 April 2018

k=3	15 April 2019
k=4	15 April 2020
k=5	15 April 2021
k=6	19 April 2022
k=7	17 April 2023
k=8	15 April 2024
k=9	15 April 2025
k=10	15 April 2026

The Initial Valuation Date is:  
22 April 2016

**C.11 Admission to trading**

Not Applicable

**C.20 Type of the underlying and where information on the underlying can be found**

Type of underlying: Share Index

Solactive Global Megatrends (Price) Index

Information available at: <http://www.solactive.com/?s=global megatrends&index=DE000SLA1F56>

Code Isin : DE000SLA1F56

## Risk factors

**D.2 Key risk specific to the Issuer and to the Guarantor**

Like other banks, AXA BANK faces financial risk in the conduct of its business, such as credit risk, operational risk and market risk (including liquidity risk). Furthermore, AXA BANK faces regulatory risk, the uncertain economic conditions and the competition across all the markets.

Considering the close relationship with, and the guarantee of the obligations of ABF(NL) by, AXA BANK, the risk factors as set out above in respect of AXA BANK may also apply, directly and/or indirectly, to ABF(NL).

- General credit risks are inherent in a wide range of AXA BANK's businesses. These include risks arising from changes in the credit quality of its borrowers and counterparties and the inability to recover loans and any amounts due.
- Market risks are all the risks linked to the fluctuations of market prices, including, principally, exposure to loss arising from adverse movements in interest rates, and, to a lesser extent, foreign exchange rates and equity prices, stemming from AXA BANK's activities.
- Operational risk is the risk of financial or non-financial impact resulting from inadequate or failed internal processes, people and systems, or from external events. The definition includes legal and reputation risk but excludes strategic risk and expenses from commercial decisions. Although AXA BANK has implemented risk controls and loss mitigation actions, and has resources devoted to developing efficient procedures and staff awareness, full protection against operational risks can never be attained, due to the very nature of these risks.
- Liquidity risk management at AXA BANK is guided by internal and prudential liquidity ratios. Strict limits also apply with regard to the part that can be funded in the short term and the part that can be raised on the interbank market.

The Terms and Conditions of the Notes enable each Issuer to substitute itself as principal debtor under the Notes another company of the group to which the Issuer belongs. Such a substitution is subject to certain conditions, including that (i) the Guarantee must remain in place in case of substitution of ABF (NL) and that (ii) the substitute must have a long term credit rating of at least the same level as AXA BANK, in case of substitution of AXA BANK. This substitution aims to enable intragroup reorganisations, such as mergers or reallocation of financing activities within the group (which may be driven by a variety of reasons, such as structural optimization, regulatory changes). A substitution will result in the Noteholders not having the same issuer as the initial issuer, albeit the substitute issuer will be part of the same group. In case of

substitution, a new base prospectus will need to be published if the substitute issuer wants to issue notes under the Programme after that the substitution has become effective.

### D.3 Key risk specific to the debt securities

Provisions for calling meetings of Noteholders permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

No assurance can be given as to the impact of any possible judicial decision or change to Belgian law or administrative practice after the date of issue of the relevant Notes.

In addition, any relevant tax law or practice applicable as at the date of this Prospectus and/or the date of purchase or subscription of the Notes may change at any time.

Potential investors of Index Linked Notes, other variable-linked Notes or Dual Currency Notes should be aware that:

- i. the market price of such Notes may be volatile;
- ii. such index or indices may be subject to significant changes, whether due to the composition of the index itself, or because of fluctuations in value of the indexed assets;
- iii. the resulting interest rate may be less (or may be more) than that payable on a conventional debt security issued by each Issuer at the same time;
- iv. payment of principal or interest may occur at a different time or in a different currency than expected;
- v. a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- vi. if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable will likely be magnified;
- vii. the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield;
- viii. the risks of investing in an Index Linked Note encompass both risks relating to the underlying indexed securities and risks that are linked to the Note itself;
- ix. any Index Linked Note that is indexed to more than one type of underlying asset, or on formulas that encompass the risks associated with more than one type of asset, may carry levels of risk that are greater than Notes that are indexed to one type of asset only;
- x. it may not be possible for investors to hedge their exposure to these various risks relating to Index Linked Notes;
- xi. a significant market disruption could mean that the index on which the Index Linked Notes are based ceases to exist; and
- xii. the index may cease to be published, in which case it may be replaced by an index which does not reflect the exact Relevant Factor, or, in the case where no replacement index exists, the cessation of publication of the index may lead to the early redemption of the Notes.

The investment activities of certain investors are subject to 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 Notes are legal investments for it.

Notes with variable interest rates can be volatile investments, especially if they are structured to include multipliers or other leverage factors, or caps or floors.

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.

#### **Warning:**

- A Noteholder's actual yield on the Notes may be reduced from the stated yield by transaction costs.
- A Noteholder's effective yield on the Notes may be diminished by the tax impact on that Noteholder of its investment in the Notes.

## Offer

### E.2b Reasons for the offer and use of proceeds

The net proceeds of the Notes will be applied for general corporate purposes of AXA BANK. ABF (NL) will lend the proceeds to AXA BANK.

### E.3 Terms and conditions of the offer

1	Specified Currency or Currencies:	EUR
2	Maximum Amount:	
	(i) Series:	EUR 150,000,000
	(ii) Tranche:	EUR 150,000,000
3	Minimum Amount:	
	(i) Series:	EUR 5,000,000
	(ii) Tranche:	EUR 5,000,000
4	Offering Period:	From 29 February 2016 to and including 15 April 2016 (except in case of early closing)
5	Issue Price:	100 per cent.
6	Brokerage Fee:	None
7	Denominations:	EUR 1,000
8	Issue Date:	22 April 2016
9	Maturity Date:	22 April 2026
10	Interest Basis:	Variable Linked Rate
11	Redemption/Payment Basis:	Redemption at par

### E.4 Interest material to the offer including conflicting interests

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### E.7 Estimated expenses charged to the investor

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