Company's capital, so as to preserve the rights of beneficiaries, on the understanding that the shares allocated in application of these adjustments shall be considered allocated on the same day as the initially allocated shares,

v. more generally, duly note the definitive allocation dates and the dates from which the shares may be freely transferrable in accordance with legal restrictions, enter into any agreement, prepare any document, perform any formality and make any declaration to any organisation and carry out any action that may be necessary;

7. decides that this authorisation, which supersedes the authorisation granted by the 20th resolution of the Shareholders' Meeting of June 2, 2014, is granted for a period of thirty-eight (38) months as from this Shareholders' Meeting.

Twenty-sixth resolution – *(Powers to carry out formalities)*

The Annual Shareholders' Meeting, deliberating according to the quorum and majority required for Ordinary and Extraordinary Shareholders' Meetings, gives full powers to the bearer of copies or extracts of these minutes to fulfil any and all formalities required by law.

7.8 Special report of the Statutory Auditors on regulated agreements and commitments

Annual Shareholders' Meeting to approve the financial statements for the year ended December 31, 2015.

Ladies and Gentlemen

In our capacity as Statutory Auditors of your Company, we hereby present our report on the regulated agreements and commitments.

Our responsibility is to report to shareholders, based on the information provided to us, the main terms and conditions as well as the reasons justifying the appropriateness for your company of the agreements and commitments that have been disclosed to us or that we have identified while carrying out our work. We are neither required to comment on whether they are relevant or justified nor to seek to identify any undisclosed agreements or commitments. According to the provisions of Article R. 225-31 of the French Commercial Code *(Code de commerce)*, it is the responsibility of the shareholders to determine whether the agreements and commitments are appropriate and should be approved.

It is also our responsibility to report to you, where applicable, the information required by Article R. 225-31 of the French Commercial Code relating to the performance, during the year under review, of agreements and commitments already approved by the Shareholders' Meeting.

We performed those procedures that we considered necessary to comply with the professional guidance issued by the French National Auditing Body *(Compagnie Nationale des Commissaires aux Comptes)* relating to this type of engagement. These procedures consisted of verifying that the information provided to us was consistent with the relevant source documents.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL TO THE SHAREHOLDERS' MEETING

Agreements and commitments authorised during the year

In accordance with Article L. 225-40 of the French Commercial Code, we were advised of the following agreements and commitments which received the prior authorisation of your Board of Directors.

Joint guarantees issued on April 30, 2015 for Natixis, one for €50 million and the other for €100 million

Nature, purpose and reasons justifying its appropriateness for the company and accepted by the Board:

In an effort to become independent of Natixis and diversify financing sources for the factoring business in Germany and Poland, COFACE S.A. wished to replace the two financing lines historically provided by Natixis with other bilateral lines.

The bilateral credit lines, with expiry dates between one and three years, were contracted with different banks including Natixis, for a total amount of €500 million. The credit lines negotiated with Natixis amounted to €50 million and €100 million at December 31, 2015 and were entered into under market conditions.

In response to requests from banks, COFACE S.A. guaranteed the reimbursement of the bilateral credit lines by its two factoring subsidiaries.

The plan to issue guarantees for the German and Polish factoring entities was submitted to the Board of Directors of COFACE S.A. for approval. The plan was approved by the Board of Directors' meeting of February 17, 2015.

Terms:

Interest on the guarantees granted by COFACE S.A. for the credit lines will be paid by its factoring subsidiaries. A separate agreement was drawn up between COFACE and its subsidiaries regarding this interest payment and has no impact on the Group's consolidated financial statements.

The cost of the guarantee is 0.2% applied to the amounts actually used, representing an overall amount in 2015 of €363,897.21 in favour of COFACE S.A.

Person concerned:

Natixis is a shareholder of COFACE S.A. and holder of 41.24% of the Company's capital at December 31, 2015.

Furthermore, Laurent Mignon is a corporate officer of both Natixis and COFACE S.A.

- **Credit lines renewal agreement signed on October 3, 2015**

Nature, purpose and reasons justifying its appropriateness for the company, accepted by the Board:

To guarantee the financing autonomy of the factoring business, COFACE S.A. implemented in 2012 a commercial paper issuance programme to finance the factoring business of its subsidiaries based in Germany and Poland.

The original programme for an initial amount of €250 million was raised to €500 million in 2013, underwritten by various banks including Natixis. As this programme was entirely used, it was renewed in 2015 and raised to €600 million.

The renewal of this commercial paper issuance programme was submitted to the COFACE S.A. Board of Directors for approval. The issue was approved by the July 28, 2015 Board meeting.

Terms:

As part of the renewal of this programme in 2015, the credit line underwritten by Natixis was raised accordingly. It was raised from €100 million to €120 million, extended for two years and contracted under market conditions.

The ensuing annual financial expense from this credit line has an impact of less than €250,000 in the accounts of COFACE S.A.

Person concerned:

Natixis is a shareholder of COFACE S.A. and holder of 41.24% of the Company's capital at December 31, 2015.

Furthermore, Laurent Mignon is a corporate officer of both Natixis and COFACE S.A.

- **Tax consolidation agreement**

Nature, purpose and reasons justifying its appropriateness for the company accepted by the Board:

Following COFACE's exit from the Natixis tax consolidation group, COFACE S.A. signed on December 29, 2015, a tax consolidation agreement with its French subsidiaries including *Compagnie Française d'Assurance pour le Commerce Extérieur,* and opted for the financial year starting on or after January 1, 2015, for the tax consolidation system, in application of Article 223A *et seq*. of the French General Tax Code. This plan allows the Group to eliminate intra-company transactions and report comprehensive income for corporation tax, obtained by adding the positive and negative results of companies in the tax consolidation scope.

The agreement was submitted to the Board of Directors and approved at the November 2, 2015 Board meeting.

Terms:

The French subsidiaries of COFACE S.A. agreed to become members of the tax consolidation group formed with COFACE S.A. and accordingly signed the tax consolidation agreement. The agreement seeks to define the terms for sharing tax payables inside the consolidation group formed by COFACE S.A. and its French subsidiaries.

The Group reported a tax consolidation gain of €1.7 million for 2015.

Person concerned:

COFACE S.A. owned 99.99% of the capital of *Compagnie Française d'Assurance pour le Commerce Extérieur* at December 31, 2015.

Furthermore, Jean-Marc Pillu was a corporate officer of both COFACE S.A. and *Compagnie Française d'Assurance pour le Commerce Extérieur* until February 9, 2016.

- **Renewal of the Liquidity Agreement with Natixis**

Nature, purpose and reasons justifying its appropriateness for the company accepted by the Board:

Under the authorisation received from the General Shareholders' Meeting of June 2, 2014, and renewed on May 18, 2015 for 18 months, the Board of Directors of COFACE S.A. has decided to authorise the company to buy back its own shares to boost the market and ensure the liquidity of the security and/or allot the shares to its employees in particular.

The COFACE S.A. Board meeting of July 28, 2015 approved the renewal of this agreement.

Terms:

In this perspective, a liquidity agreement was signed on June 26, 2014 with Natixis, authorising the latter to purchase up to €5 million worth of COFACE S.A. securities in return for payment of an annual fixed remuneration of €40,000 excluding VAT.

This agreement was entered into for a one-year term starting from the publication day of the implementation statement, renewable by tacit agreement. It was renewed for another one-year term on July 28, 2015.

Person concerned:

Natixis is a shareholder of COFACE S.A. and holder of 41.24% of the Company's capital at December 31, 2015.

Furthermore, Laurent Mignon is a corporate officer of both Natixis and COFACE S.A.

Agreements and commitments authorised since the balance sheet date

We have been notified of the following agreements and commitments, authorised since the year end, which have received the prior approval of your Board of Directors.

Agreement taken in favour of Mr. Jean-Marc Pillu, Chief Executive Officer (CEO), upon termination of his duties, effective from February 9, 2016 and authorised by the Board of Directors' meeting of January 15, 2016

Nature and purpose:

This agreement concerns the severance pay of €1,978,804 before tax. It was submitted to the Board of Directors as required by the provisions of Article L. 225-42-1. The conditions for paying this compensation have been met. For the record, this payment is due provided that Mr. Pillu does not leave the company at his own initiative and that the performance criteria below are fulfilled:

1. Achievement of at least 75% of the average annual objectives during the three years preceding the departure date; and
2. The Company's combined ratio after reinsurance is at most 95% on average for the three financial years preceding the departure date.

The first condition is fulfilled: achievement of the annual objectives of 92.7% for 2013, 151.2% for 2014 and 74.1% for 2015, corresponding to an average of 106%, greater than the 75% objective; and

The second condition is fulfilled: the Company's combined ratio after reinsurance was 82.5% for 2013, 79.7% for 2014 and 82.8% for 2015, corresponding to an average of 81.7% below the 95% objective.

Terms:

Pursuant to the decision of the Board Meeting of May 13, 2014, to calculate the amount of the compensation for two years of fixed and variable remuneration:

1. The reference salary for the fixed portion is the salary of the current year at the date he ends his duties, representing a fixed annual salary for the 2016 financial year of €500,000 before tax, as decided by the Board meeting of February 17, 2015;
2. The reference salary for the variable portion shall be the average of the variable portions received during the last three years preceding the date of departure, *i.e.*, €489,402 before tax (average of €417,285 for 2013, €680,400 for 2014 and €370,521 for 2015).

Accordingly, given the context of Jean-Marc Pillu's departure and especially of the average level of the three previous years of achievement by Jean-Marc Pillu of his objectives set at 106%, the severance pay corresponds to a gross amount of €1,978,804.

Person concerned:

Jean-Marc Pillu, corporate officer and Chief Executive Officer (CEO) of COFACE S.A. until February 9, 2016.

Pursuant to the law, we draw your attention to the fact that the prior authorisation given by the Board of Directors does not include the reasons justifying the appropriateness of the commitment for the company as required by Article L. 225-38 of the French Commercial Code.

Exceptional remuneration granted to Mr. Jean-Marc Pillu, in connection with the initial public offering and concerning the award of 43,269 bonus shares, deliverable on July 1, 2016 subject to his continued employment in the Group.

Nature and purpose:

Under the Long-Term Incentive Plan, Mr. Jean-Marc Pillu was awarded 43,269 bonus shares, deliverable on July 1, 2016 subject to his continued employment in the Group on that date.

Terms:

The Board of Directors authorised the payment of this exceptional remuneration at its January 15, 2016 meeting, in application of the commitment granted by the Board of Directors' meeting of May 13, 2014. Since the Board decided that the continued employment condition would be automatically waived during the vesting period, Mr. Pillu retains the right to receive his shares on July 1, 2016 on the understanding that the two-year retention period would still apply.

A decision was made to carry on with this exceptional compensation in the form of shares in order to align the interests of the Chief Executive Officer (CEO) with those of shareholders and of the Company.

Person concerned:

Jean-Marc Pillu, corporate officer and Chief Executive Officer (CEO) of COFACE S.A. until February 9, 2016.

Pursuant to the law, we draw your attention to the fact that the prior authorisation given by the Board of Directors does not include the reasons justifying the appropriateness of the commitment for the company as required by Article L. 225-38 of the French Commercial Code.

Commitment taken in favour of Mr. Xavier Durand and linked to his new appointment, authorised by the Board of Directors' meeting of January 15, 2016

Nature and purpose:

Given the arrival of Mr. Durand during the financial year from a non COFACE Group company, it is proposed that the variable compensation awarded to Xavier Durand for 2016 be guaranteed for up to 80% of the target variable remuneration (€575,000) provided that Xavier Durand continues to be the Company's Chief Executive Officer (CEO) on the date of the Board meeting convened to approve the financial statements for 2016.

The Board of Directors' meeting of January 15, 2016 authorised this benefit to be granted to Xavier Durand for his new appointment, as allowed by the provisions of Article L. 225-42-1 of the French Commercial Code.

Terms:

It is specified that this amount would be included in the 2016 variable compensation of Xavier Durand if the latter were to exceed 80% of his target variable compensation (€575,000) and that this amount will be paid according to the terms comprising a portion of deferred compensation, pursuant to the Solvency II regulation, according to the terms to be defined at a subsequent Board meeting.

Person concerned:

Xavier Durand, corporate officer and Chief Executive Officer (CEO) of COFACE S.A., as from February 9, 2016.

Pursuant to the law, we draw your attention to the fact that the prior authorisation given by the Board of Directors does not include the reasons justifying the appropriateness of the commitment for the company as required by Article L. 225-38 of the French Commercial Code.

- **Severance pay for Mr. Xavier Durand**

Nature and purpose:

In the event his corporate term ends, Mr. Xavier Durand shall receive a severance pay corresponding to two years' (fixed and variable) salary. The reference salary used for the fixed portion shall be the salary for the current financial year at the date he ends his duties. The reference salary for the variable portion will be the average of the variable portions received for the three years preceding the termination date of his duties (or of one of the two years concerned since he came into office in the event of departure before December 31, 2018).

The Board of Directors' meeting held on January 15, 2016, authorised the award of this compensation, as allowed by the provisions of Article L. 225-40-1 of the French Commercial Code.

Terms:

This severance pay shall be due if the following performance criteria have been met:

1. Achievement of at least 75% of the average annual objectives during the three years preceding the departure date; and
2. The Company's combined ratio after reinsurance is at most 95% on average for the three financial years preceding the departure date.

If just one of the two conditions above has been fulfilled, 50% of the compensation shall be due. If none of the conditions above have been met, no compensation shall be due.

No compensation shall be paid by the Company if the corporate term is ended at Mr. Xavier Durand's initiative or in the event of termination for serious misconduct or gross negligence.

Corporate officer concerned:

Mr. Xavier Durand, corporate officer and Chief Executive Officer (CEO) of COFACE S.A.

Pursuant to the law, we draw your attention to the fact that the prior authorisation given by the Board of Directors does not include the reasons justifying the appropriateness of the commitment for the company as required by Article L. 225-38 of the French Commercial Code.

Previous agreements and commitments not approved by the Shareholders' Meeting

We draw your attention to the agreements and commitments below, authorised during financial year 2014, and disclosed in our special report on regulated agreements and commitments relating to financial year 2014 and which were not approved by the Shareholders' Meeting convened to approve the financial statements as of December 31, 2014.

- **Agreements signed in connection with the subordinated bond issue**

1. ***Compagnie Française d'Assurance pour le Commerce Extérieur*'s guarantee for COFACE S.A.**

Nature, purpose and reasons justifying its appropriateness for the company accepted by the Board:

On March 27, 2014, COFACE S.A. issued subordinated debt in the form of bonds for a nominal amount of €380 million. To improve the credit rating for the issue and its price, *Compagnie Française d'Assurance pour le Commerce Extérieur*, the operating arm of the COFACE Group (which therefore has a better credit rating from Fitch and Moody's than COFACE S.A.), issued a guarantee for COFACE S.A.

Thanks to this guarantee, the credit rating for the issue went up two notches (the issue, which would have been rated Baa3/BBB without the guarantee, received a Baa1/A rating from Moody's and Fitch).

Terms:

The price of the guarantee was fixed at 0.2% per annum for the total amount, which corresponded to a financial expense of €760,000 for financial year 2015 for COFACE S.A.

Person concerned:

COFACE S.A. owned 99.99% of the capital of *Compagnie Française d'Assurance pour le Commerce Extérieur* at December 31, 2015.

Furthermore, Jean-Marc Pillu was a corporate officer of both COFACE S.A. and *Compagnie Française d'Assurance pour le Commerce Extérieur* until February 9, 2016.

2. **Loan granted to *Compagnie Française d'Assurance pour le Commerce Extérieur***

Nature, purpose and reasons justifying its appropriateness for the company accepted by the Board:

Compagnie Française d'Assurance pour le Commerce Extérieur is the principal operating entity of the COFACE Group. It benefits from a significant portion of the funds raised from the subordinated debt issue by COFACE S.A. (€314 million out of €380 million). This allows the COFACE Group's operating company to strengthen its regulatory capital in order to meet, as a separate entity, Solvency II requirements on or after January 1, 2016.

Terms:

The subordinated loan of €314 million bears interest at the same rate as the subordinated bonds issued by COFACE S.A., *i.e.*, at an annual rate of 4.125% corresponding to a financial income of €12.9 million for financial year 2015 for COFACE S.A. Thanks to the COFACE S.A. guarantee, the market used the credit quality of *Compagnie Française d'Assurance pour le Commerce Extérieur* to determine the remuneration for the subordinated bonds in May 2015.

Person concerned:

COFACE S.A. owned 99.99% of the capital of *Compagnie Française d'Assurance pour le Commerce Extérieur* at December 31, 2015.

Furthermore, Jean-Marc Pillu was a corporate officer of both COFACE S.A. and *Compagnie Française d'Assurance pour le Commerce Extérieur* until February 9, 2016.

Pursuant to the law, we draw your attention to the fact that the Board of Directors did not perform an annual review of the two agreements presented above, as required by Article L. 225-40 of the French Commercial Code.

- **Liquidity agreement with Natixis**

Nature, purpose and reasons justifying its appropriateness for the company accepted by the Board:

Under the authorisation given to it by the General Shareholders' Meeting of June 2, 2014, renewed on May 18, 2015 for 18 months, the Board of Directors of COFACE S.A. has decided to authorise the company to buy back its own shares to boost the market and ensure the liquidity of the security and/or allot the shares to its employees in particular.

Terms:

In this perspective, a liquidity agreement was signed on June 26, 2014 with Natixis, authorising the latter to purchase up to €5 million worth of COFACE S.A. shares in exchange for a payment of an annual fixed remuneration of €40,000 excluding VAT.

This agreement was signed for a one-year term starting from the publication day of the implementation statement, renewable by tacit agreement. It was renewed for another one-year term on July 28, 2015.

Person concerned:

Natixis is a shareholder of COFACE S.A. and holder of 41.24% of the Company's capital at December 31, 2015.

Furthermore, Laurent Mignon is a corporate officer of both Natixis and COFACE S.A.

Paris La Défense and Neuilly sur Seine, April 11, 2016

The Statutory Auditors

KPMG Audit	Deloitte & Associés
Department of KPMG S.A. *Francine Morelli* *Partner*	*Damien Leurent* *Partner*