



FEDERATION
BANCAIRE
FRANCAISE

FBF 2007

/// MANAGEMENT REPORT

Customer advisor



Trader



Internal auditor



Legal Officer



SME Advisor



/// BANKING PEOPLE ///

Banking is a multi-faceted activity. It is both global, yet firmly rooted in local communities, a fundamental service, yet also a cutting edge industry. This is reflected in the many different things that banks do and the diversity of people they employ. We asked a few bankers to briefly describe their job before the photographer's lens. We would like to invite you to have a look at this gallery of portraits.



Customer Advisor



SME Advisor



Internal Auditor



Trader



Legal

Sommaire

	EDITORIAL: SHADOWS AND LIGHTS	<i>page ... 2 ...</i>
	KEY EVENTS IN 2007	<i>page ... 4 ...</i>
Chapter 01	BANKING AND EUROPE	<i>page ... 8 ...</i>
Chapter 02	BANKS AND THEIR CUSTOMERS	<i>page ... 16 ...</i>
Chapter 03	PAYMENT INSTRUMENTS	<i>page ... 26 ...</i>
Chapter 04	BANKING INDUSTRY HIGHLIGHTS	<i>page ... 34 ...</i>
Chapter 05	THE FBF	<i>page ... 44 ...</i>

Veronique Védrenne



/// *Daniel Bouton*
FBF Chairman

Yves Denoyelle



/// *Ariane Obolensky*
FBF Chief Executive Officer

••• 2007: Shadows and lights

The global financial system has been going through a serious crisis since August 2007. Initially triggered by the poorly managed granting of home loans to low-income households in the United States, it has spread to other asset classes, has temporarily shaken the confidence of some investors and may put pressure on the liquidity of bank assets and profits across the globe. However, thanks to a strong capital base and a good balance between their business activities and markets, French banks were able to smoothly continue their main function of financing domestic economic activity.

There are two things that clearly distinguish the situation in France from that in the United States. First of all, in France the granting of a loan or other credit depends essentially on an assessment of the potential borrower's ability to repay, and not on the estimated value of the property to be financed. Secondly, all lenders in France are subject to the Banking Act (Loi bancaire) and are therefore supervised by the Banque de France.

We must not allow the current turmoil in capital markets to overshadow the major projects the banking industry has undertaken in 2007 and the progress made in key areas.

Banks have, for example, implemented the Markets in Financial Instruments Directive (MiFID) by the specified deadline, thus increasing competition between financial centres. But above all, the relationship between banks and their customers has been enhanced, with banks having an expanded obligation to inform and advise customers about their savings. Bankers must be sure that the products they propose are appropriate for their customers' needs and the risk they are willing to accept. Judging from a survey conducted by Ifop in 2007, the steps taken over the past few years to improve customer information have generally been successful, since three French people out of four feel they are better informed.

2007 will also be remembered as the year the French government formally acknowledged the major role that banking and financial services play in supporting and developing the economy. The creation of the "Finance Innovation" cluster and the work of the Haut comité de place will make Paris a more attractive financial centre. In the area of taxation, the elimination of the stamp duty on stock-market transactions is the first concrete manifestation of this new awareness, and one that should do much to prevent trades from moving to other markets. The FBF is also continuing its effort to have the payroll tax gradually abolished, since it discourages hiring by banks and seriously handicaps Paris in its competition with other financial centres.

In 2008, even further consideration will probably be given to improving the regulation and supervision of banking activity. The FBF hopes that this quite delicate task will be high on the European Union's agenda during the French presidency, which begins next July 1st. A key priority of this task, which can only be approached with a global perspective, must be to prevent future financial crises. French banks will do their best to support this essential effort.

31 December 2007

Key events in 2007

JANUARY

- 9. Banks implement the new AERAS Agreement that enables people with substantial health risks to obtain credit more easily.
- 16. With Oseo and Coface, the FBF issues a brochure to inform SMEs about the various sources of short-term financing available.
- 31. The European Commission issues its final report on the retail banking industry. The FBF had responded to preliminary consultations on credit cards and current accounts.

APRIL

- 3. The FBF commits to funding five university chairs to encourage research and training projects in investment banking and financial markets.
- 11. A decree requires the freezing of assets associated with terrorism financing. French banks freeze all fund transfers on the terrorist blacklist.
- 24. The Payment Services directive is quickly adopted, as requested by the FBF since it is essential to establishing a harmonised payments framework throughout Europe.
- 30. The FBF issues a booklet to assist foreign residents in remitting money abroad.

FEBRUARY

- 19. The concept of the "Trust" is incorporated into French law and the French Civil Code is adapted accordingly.
- 20. The Capital Requirements Directive (CRD) is transposed into French law. Banks get their organisations into shape.
- 22. The new "housing right" law sets a ceiling on the amount of fees that can be charged on delinquent payments. A decree specifying the details of these fees is issued on 16 November.

MAY

- 1. The new framework on insurance intermediation goes into effect. Banks make necessary adjustments.
- 21. The EU Council reaches a political agreement on the Consumer Credit Directive. The common position adopted in September is a step in the right direction, and the FBF continues to defend its views.

MARCH

- 1. The FBF presents its observations on the AMF's proposed transposition of the Markets in Financial Instruments Directive (MiFID) in the AMF's General Regulation.
- 13. The FBF's Executive Committee meets a group of European deputies in Strasbourg.
- 27. The FBF and the Banque de France co-chair the meeting of the National SEPA Committee, which decides to modify the timetable for migrating to SEPA.

JUNE

- 5. The European Commission's final report of the expert group on banking mobility is issued for consultation. The FBF submits its observations on 26 July.
- 12. Representatives of the financial services industries meet with the President of France and the Minister of the Economy. Banks will play an active role in the review of the financing of economic activity.

FBF 2

JULY

5. The certification of the “Finance Innovation” global financial services cluster acknowledges the key role that financial services play in the economy.

18. The FBF responds to the European Commission’s green paper of 2 May on retail financial services.

31. Xavier Novelli, the Secretary of State for Business and Foreign Trade asks three expert groups to simplify formalities for business enterprises. The FBF makes an active contribution to this effort and leads one of these groups.

OCTOBER

5. For the first time, Christine Lagarde convenes the members of the Haut comité de place to discuss various proposals to increase the appeal of Paris as a financial centre.

11. The FBF and the Banque de France co-chair the National SEPA Committee, which adopts the 2nd version of the French plan to migrate to European payment means.

29. The President of France convenes representatives of the financial services sector for an overall assessment. Banks issue a report on their loans outstanding to SMEs.

AUGUST

31. The banking industry responds to the Prime Minister’s request to assess the financing of economic activity by confirming its key role in financing both business and consumers.

NOVEMBER

1. French banks are ready for the implementation of the new Markets in Financial Instruments Directive (MiFID).

20. The European Commission issues a paper on “A Single Market for 21st Century Europe” in which it presents its guidelines for retail financial services. The FBF contributes its observations on the marketing of investment products to consumers.

SEPTEMBER

1. Daniel Bouton, Société Générale’s chairman and CEO, is appointed chairman of the FBF for a term of one year.

21. The directive on the supervision of cross-border transactions is published in the EU’s official journal. The FBF’s main observations were addressed.

27. The FBF signs the Home Ownership Charter, prepared under the aegis of Christine Boutin, Minister of Housing and Urban Affairs.

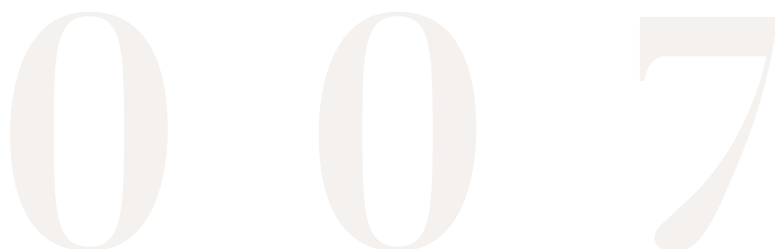
DECEMBER

6. The National Assembly’s Finance Committee examines the issue of variable interest loans. The FBF stands ready to provide the information necessary to effectively assess the situation.

13. The European Parliament adopts the report on asset management. The FBF meets with members of parliament to explain its position.

20. The Chatel Act to promote competition on behalf of consumers is adopted. Three measures apply directly to banks: providing an annual expenses statement, expanding the role of mediation and providing more information on variable-rate loans.

24. The annual Finance Act abolishes stamp duty on stock-exchange transactions, as the banking industry has been requesting for years to respond to global competition in financial markets.



“ Ali,
Customer Advisor

After getting a BTS degree and working for several years at various jobs, Ali was recruited by a bank where his first job was at the reception desk. A year later he was promoted to customer advisor.

His job is to help individual clients manage their financial affairs. This involves advising them and helping them with their personal projects, which may include saving, borrowing, using various payment instruments, etc. It is advising people that Ali likes most about his job. He would one day like to work for his bank on Mauritius.





Chapter 01

BANKING
AND EUROPE

page 10 **THE FBF PREPARES FOR FRENCH PRESIDENCY
OF THE EUROPEAN UNION**

Promoting a European culture of banking supervision
The FBF supports revision of UCITS directive

page 11 **FRENCH BANKS SUPPORT INTEGRATION
OF RETAIL FINANCIAL MARKETS**

Retail financial services - observing fundamental principles
Customer mobility - a realistic approach
Consumer credit directive makes progress

page 12 **TRANSATLANTIC DIALOGUE MOVES FORWARD**

page 13 **KEY FIGURES FOR EUROPEAN AND GLOBAL BANKS**

... FBF prepares for French presidency of the European Union

It will be France's turn to preside over the European Union in the second half of 2008, when many important issues for the banking industry will be debated. Many market participants are impatiently awaiting France's stance on the supervision of banks and financial institutions in general. Other issues that the Council may also examine during France's presidency include the revision of the UCITS directive, post-trade activities, VAT on financial services and mortgage lending. French bankers have been preparing to deal with these matters throughout 2007

Promoting a European culture of banking supervision

The supervision of banking and financial markets in the European Union is of fundamental importance for the future of the financial services industry. The current fragmented state of supervision is an obstacle to market integration and the efficiency of global banking groups.

The FBF supports the emergence of a European culture of banking supervision. It would in particular like to see more cooperation between European supervisors, notably through stronger European supervisory committees. Now that the new European capital adequacy ratio has come into effect, strengthening the European supervisory framework should enable more effective risk management at the group level.

On 4 December 2007, the EU finance ministers adopted a compromise solution on the future of financial supervision. They have asked the European Commission to review, by April 2008, the various proposals for strengthening European supervisory committees.

FBF supports revision of UCITS directive

The UCITS directive must be reformed to ensure the effective integration of European financial markets. After over two years of consultation, the European Commission will be issuing concrete proposals in early 2008 to improve the efficiency of investment funds in the EU and promote their cross-border expansion.

On 13 December 2007, the European Parliament also adopted European deputy Wolf Klinz's report on strengthening the internal market for asset management.

The FBF favours a revision of the European regulatory framework for investment funds, since the UCITS directive has a direct impact on such bank activities as asset management, fund distribution, custodial and depository services. French bankers feel that the following key areas should be given special attention:

- ... **To be effective**, a European passport for investment funds and asset management firms must ensure a high degree of savings protection ;
- ... **Given the essential role** the supervisory function of depositories plays in investor protection, their roles and responsibilities must be harmonised to enable truly effective cross-border mergers of investment funds.
- ... **However**, the FBF does not believe that further regulation of investment fund distribution is necessary, since the MIFID directive that came into effect last November sufficiently covers this area.

POST-TRADE EUROPE IS TAKING SHAPE

The European code of conduct for securities delivery and settlement continued to make progress in 2007, ensuring improved:

- access to trading infrastructure and interoperability
- separation between services and their accounting systems.

Furthermore, in March 2007 the ECB concluded that the Target2-Securities project was feasible and the central bank intends to proceed to the development phase in 2008. The FBF supports this project, which is expected to enable the integration of European post-trade activities.

••• Banks support integration of retail markets

On 20 November 2007, the European Commission revealed its initiatives for retail banks in a paper entitled "A Single Market for 21st Century Europe". These initiatives are based on the Commission's green paper on retail financial services of May 2007 and deal with such issues as customer mobility, mortgage lending and the marketing of investment products to consumers.

Retail financial services – observing fundamental principles

In its response to the Commission's green paper the FBF reminded that it actively supports the integration of retail banking markets. French banks are convinced of the potential benefits of more integrated markets and consider that the development of a large European retail banking market will be good for consumers, the banking industry and to Europe's economy in general.

However, the FBF believes that the integration of retail banking markets must adhere to certain fundamental principles, which include:

- **providing** a framework that will ensure fair competition and prevent competitive distortions between lenders based in different countries;
- **preserving** the vigour and efficiency of national markets and making sure that the standardisation of business practices does not limit their diversity;
- **focusing** on initiatives that will offer the greatest benefit to consumers and market participants;
- **ensuring** that the cost of new rules does not exceed the expected benefits.

Moreover, the FBF has observed that the Commission has in general adopted the consumer's point of view. However, since consumer demand will depend largely on the supply of financial products and services made available, for integration to move forward banks must not be discouraged from selling their products across national borders. The various obstacles to the cross-border provision of financial services – whether linguistic, fiscal, legal or economic – must be taken into consideration.

Customer mobility – a realistic approach

In November 2007, the European Commission asked bankers to prepare common self-regulation guidelines to make it easier for their customers to switch banks. These rules will first be tested at the national level. If self-regulation is not deemed successful the Commission will consider legislative intervention.

This initiative was decided after a consultation on customer mobility in 2007. It is consistent with the FBF's view that customer mobility is above all a national issue, as expressed in its observations on the June 2007 experts' report on customer mobility. If a European initiative in this area is deemed worthwhile, the FBF believes that it must be pragmatic and take into account the fundamental nature of the bank-customer relationship, which is founded on trust, proximity and quality of service, and the diversity of this relationship among the EU member states. Intra-bank mobility and the fact that many customers have two or more banks should also be taken into consideration.

According to this report, France's customer mobility rate stands at about the average rate for Europe, i.e. 7.75%. French banks have already taken steps to foster mobility.

GUIDELINES FOR THE EUROPEAN MORTGAGE LENDING MARKET

The white paper of 18 December 2007 reveals the European Commission's strategy to increase cross-border competition in European mortgage lending markets. The Commission believes it is too early to enact new laws and has identified four areas it would like to look at more closely. These include: the annual percentage rate of charge, right of early repayment, pre-contractual information and the obligations of creditors and consumers. Policy guidelines will be subject to impact studies and submitted to the banking industry for consultation.

The FBF is in favour of any initiative that will promote the harmonisation of European mortgage lending markets. Believing, like the Commission, that supply will stimulate demand, the FBF feels that any new measure must make it easier for bankers to improve the quality and diversity of the products and services they offer their consumers.

Consumer credit directive makes progress

Negotiations on the proposed consumer credit directive forged ahead in 2007, with the EU Council adopting a common position in September that is definitely a step in the right direction and which includes abandoning the mutual recognition rule and excluding all types of property loans. The banking industry pursued its efforts to have other key aspects of the directive improved.

The compromise draft adopted by the EU Parliament on 16 January 2008 marks an important step toward the integration of retail banking in Europe. It provides a high level of protection for consumers and enables them to take full advantage of competitor credit offerings. The new directive:

- Applies to consumer loans of more than 200 euros and less than 75,000 euros (the initial ceiling was 100,000 euros).
- Harmonises pre-contractual information and the calculation of the cost of credit using the total annual percentage rate of charge.
- Sets the withdrawal period to 14 days. For tied sales, this period may be shortened at the consumer's request in countries where this is already allowed, as in France.
- Harmonises the right of early repayment and sets a maximum indemnity for this.

Throughout these negotiations the FBF defended a pragmatic approach and full harmonisation of the key points most needed to facilitate the comparison of cross-border offerings, while ensuring fair competition and without deteriorating lending conditions at the national level.

... Transatlantic dialogue moves forward

With banking groups now largely global, the FBF believes that rules should converge to ensure a level competitive playing field and effective protection of customers.

Accounting standards and capital adequacy – the need for mutual recognition

Europe and the United States are working to achieve the mutual recognition of accounting standards. Their objective is to ensure that by 2009 European firms listed on US stock markets and US firms listed in Europe will no longer have to produce a second set of financial statements to comply with local accounting standards. This represents a tremendous economic issue. In November the SEC adopted a rule that allows foreign issuers of securities to publish their accounts in compliance with the IASB's international financial reporting standards (IFRS), while the CESR⁽¹⁾ proposed in December that US GAAP be considered equivalent to IFRS.

Regarding capital adequacy, the US Basel II framework presented in November 2007 is similar to international recommendations, as the FBF hoped it would be. However, only a dozen or so large American global banks will observe Basel II's advanced options. This therefore poses a problem for the subsidiaries of European banks in the United States. Negotiations are currently underway to ensure that they will not have to comply with two distinct standards. The French banking industry would therefore like to see mutual recognition for the subsidiaries of European banks operating overseas.

Financial markets – stepping up competition

European and US regulators are working hard to implement the mutual recognition rule in financial markets. This would enable foreign financial intermediaries to offer services to US investors after a simple registration procedure. The SEC supports this initiative and organised three round tables on this subject in 2007.

At the global level, the International Organization of Securities Commissions (IOSCO), which brings together the world's financial regulators, is drafting a work programme that focuses primarily on improving investor information, managing conflicts of interests and harmonising codes of conduct.

(1) The Committee of European Securities Regulators, an advisory committee composed of representatives of national regulatory bodies and the European Commission.



IOSCO has 180 members, of which 83 are national regulatory authorities. They set the standards for the global supervision of securities transactions and promote the development of efficient financial markets. France will host the 33rd IOSCO conference in Paris in late May 2008. Eighty countries will be represented at the conference, which will be attended by 800 representatives of the international financial community. Closely involved in the international regulation of financial markets, the FBF will play an active role in this event.

Key figures for French banks in Europe and around the world

The dynamic European banking industry

3 million people work in European banks, which, according to the ECB, operated some **212,000 branches** at end-2006.

Retail banks alone contribute **2% to GDP**.

(European Commission green paper on retail financial services - April 2007)

Outstanding loans to European consumers totalled 7,235 billion euros in 2006 (a 10% increase from 2005).

(ECB: EU Banking Structures - October 2006)

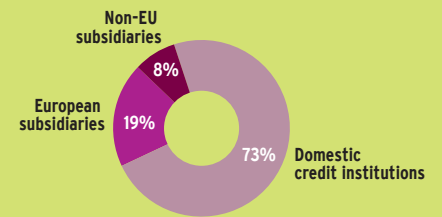
The market capitalisation of investment funds exceeds 5,700 billion euros, or over 50% of EU GDP.

(Efama, 3rd quarter 2007)

Credit institutions based in other EU member states account for 19% of the total assets of European credit institutions, while those based in non-EU countries account for 8%. These average figures conceal large discrepancies, since almost 61% of total assets in the 10 new EU member states are held by banks based in other member states.

(BCE, EU banking structures, october 2007)

Foreign institutions' share of aggregate European credit institution assets (2006)



(ECB: EU Banking Structures - October 2007)

French banks are active in Europe

French credit institutions had 523 foreign subsidiaries in Europe at end-2005, which represents 53% of all foreign subsidiaries, according to the Commission Bancaire (Banking Commission). This figure rose 12% in 2005 and almost doubled over the previous five years.

67% of foreign subsidiaries in France were European in 2006, for a total of 159 out of 237.

Foreign credit institutions (both EU and non-EU) in France account for 11% of total bank assets.

(ECB: EU Banking Structures - October 2007)

The assets of European credit institutions in France totalled €558 billion at end-2006, according to the ECB.

Global dynamism

French credit institutions are present in **84 different countries** (Banking Commission - end 2005).

The foreign branches of French banks accounted for almost 19% of aggregate credit institution revenue (Banking Commission - 2006).

The average ratio of revenue to assets of the «foreign subsidiaries» of the three largest French banking groups was 23%. (Banking Commission - end 2005).

The 21,300 billion euros of market capitalisation of the companies listed on NYSE Euronext markets makes NYSE Euronext the world's largest stock exchange group. Daily trading volume averages over 103 billion euros (NYSE Euronext - end September 2007).

FRANCE'S LEADING POSITION

France leads Europe in UCITS management, ahead of the UK and Germany.

(AFG - September 2006)

French banks have over 25% of the global equity derivatives market.

(Paris Europlace).

Five of the world's 30 largest banking groups by capital are French.

(The Banker - July 2007)

“ THIERRY,
SME Advisor

After graduating from business school with a master's degree, Thierry began his career as a sales assistant in a trading room. He then took an internal training course to learn about small and medium-sized enterprises (SME) and is now in charge of a portfolio of large SME as well as being the assistant manager of a business centre. In his job he meets with the managers of companies in a broad spectrum of industries ranging from IT services, manufacturing and wholesale distribution to construction and transport. Thierry enjoys this diversity and the direct contact with people. His job also requires the ability to understand and manage the various risks before deciding whether to support a customer's investment project.





Chapter 02

BANKS AND THEIR CUSTOMERS

page 18 **FURTHER IMPROVING
THE BANK-CUSTOMER RELATIONSHIPS**

Banks keep their promises

AERAS Agreement comes into effect

Delinquent payments - banks honour their commitments despite new law

More transparency

Mediation gains ground

page 20 **REGIONAL INITIATIVES
TO HELP THE MOST DISADVANTAGED**

page 21 **BANKS SUPPORT GROWTH
OF SMALL AND MEDIUM BUSINESSES**

page 22 **BANKS AND THEIR CUSTOMERS — KEY FIGURES**

... Further improving the bank-customer relationship

Eighty percent of all French people have a good image of their bank. To keep their customers this happy, French banks have constantly had to adapt to their needs and expectations. This was also the case in 2007. The FBF is convinced that commitments made by the banking industry will be more effective than legislation in providing a personalised solution to each customer's needs. However, the government decided to adopt a legislative approach in 2007. Despite this, French banks have chosen to continue to observe the commitment they made in late 2006 regarding penalty charges on delinquent payments.

Banks keep their promises

French banks are implementing the measures decided in 2004 and 2006 under the CCSF (Comité consultatif du secteur financier or Advisory Committee on the Financial Sector). The CCSF, which closely monitors compliance with these commitments, confirmed in late December that they will be applicable.

Banking is now simpler and easier for customers - transparency is emphasised and switching banks is easier. For example:

- ... By late 2006 over 34 million customers had received a "deposit account agreement". This is 62% of all consumer customers and represents an increase of almost 100% in two years.
- ... According to an Ifop survey of June 2007, six percent of French people have switched banks over the past 12 months. This represents the entire clientele of a major bank.

French banks have also made it easier for consumers to assert their banking rights and have helped inform the general public about non-cheque payment alternatives, to ensure that everyone can have a banking account and suitable payment means.

- ... 70% of customers that are no longer allowed to have a cheque book were able, as of end-June 2007, to use modern and alternative means of payment, such as systematic authorisation cards and the "basic payment package" that includes this card. This represents a 27 percentage point increase in 18 months.
- ... The number of people able to benefit from basic banking rights rose 14% in 2006, to 30,400 by the end of the year, and 30% of all French people were aware of these rights in 2007, according to Ifop.

AERAS Agreement enters effect

The AERAS Agreement, which enables people with severe health risks to borrow more easily, came into effect in early January, replacing the Belorgey Agreement. The Act of 31 January 2007 sets a legal framework for the principles of this agreement. The banking industry made innovative proposals and much progress in meeting the demands of consumer associations. Among other things, the success of the new agreement will depend on providing information as early as possible.

In 2007, banks and the FBF distributed some two million booklets, or "mini-guides" on the AERAS Agreement, in addition to those downloaded on the Internet. Thus a third of all French people were aware in June 2007 that there is a solution that facilitates borrowing for people with health problems. According to Ifop, this rate is as high as 40% for the 35 to 64 age group.

The FBF and French banks distributed 800,000 banking mobility guides in 2007, excluding downloads.



Delinquent payments – banks honour their commitments despite new law

The Housing Right Act of March 2007 and the Decree of 15 November set a ceiling on fees and charges on delinquent payments. Therefore, as of 16 May 2008, the fees that banks charge their customers for delinquent payments cannot exceed:

- €30 for bounced cheques of €50 or less
- €50 for bounced cheques above €50
- and for other delinquent payments cannot exceed the amount dishonoured, up to a ceiling of €20.

As for banks, when penalty fees may cause significant financial hardship for a customer they will continue to examine his or her particular situation on a case-by-case base, as they proposed in November 2006. Depending on the circumstances of the case, a total or partial discount on the fees may be granted following this review.

More transparency

The Chatel Act, which came into effect on 20 December 2007, seeks to benefit consumers by promoting competition and contains several measures that concern the bank-customer relationship.

Every January, French banks will provide their individual customers and non-profit organisations with a statement of the expenses they charge on deposit accounts. This will require a significant amount of work to record the history of account transactions in bank IT systems and create the necessary categories. The first annual statement (for 2008) will be issued in January 2009.

In their variable-rate mortgage loan proposals, banks inform borrowers that they may obtain insurance from another insurance company that provides equivalent guarantees.

For variable-rate loans, banks will provide borrowers, as of 1st October 2008, with a simulation of how interest rate changes will affect monthly payments, the loan term and the total cost of credit. Once a year, banks also keep all variable-rate borrowers informed of the principal outstanding on their loan.

On 6 December, the French National Assembly's Finance Commission launched a study on variable-rate mortgage loans. The FBF is ready to provide the information required for this purpose. It also reminds that lending institutions individually review all loans that may be affected by rising interest rates.

Mediation extended

The Chatel Act has extended the scope of mediation to all disputes involving the application of contracts with banks, including the management of loans and investment products. Banks are in favour of anything that may improve communication with their customers and facilitate the amicable settlement of disputes. This is why most banks, and particularly the largest, had already extended the mediator's powers beyond the legal requirement⁽¹⁾.

Credit institution mediators received some 23,000 letters in 2006, or 17% more than the previous year, according to the Bank Mediation Committee. Mediators were able to deliberate on 23% of disputes, an increase of three percentage points. All other letters/disputes were either referred to the appropriate channel (other mediator, etc.) or did not fall within the scope of mediation.

(1) Bank mediation involved only disputes concerning the management of deposit accounts, tied sales and premium sales.

FRENCH BANKS ACTIVELY PROMOTE HOME OWNERSHIP FOR LOW-INCOME HOUSEHOLDS

On 27 September, the FBF signed, on behalf of all French banks, a charter to promote home-ownership for everyone, prepared under the aegis of the Ministry of Housing and Urban Development. French banks will support this initiative to provide secure mortgage lending and facilitate home ownership for low-income households.

The Bank Mediator Directory was updated in June 2007 and is available at www.fbf.fr.

... Regional initiatives to help the most disadvantaged

The FBF regularly meets with social workers and community associations to better understand the needs of the lowest-income groups and take concrete action to address these needs throughout France. There will be more of such initiatives.

FBF's regional committees build strong presence on the ground

The FBF's bank committees organise meetings throughout France with conseils généraux (government councils at the French department level) and community social action centres. Their objective is to make people more aware of how banks work, provide more assistance to the most disadvantaged members of society and prevent problems before they occur. The main topics dealt with during these meetings are the bank-customer relationship, how to obtain a bank account and payment means, getting a loan and avoiding over-indebtedness.

At the national level, over 5,000 social workers have attended such meetings over the past three years in many French cities, such as Marseille, Lille, Nice, Nantes, Vannes, Toulon, etc.

For example, in April 2007, the FBF's committee for the Picardy region partnered with the conseil général to organise a meeting in Amiens on the theme "Working together to help the disadvantaged". This gave almost 200 local social workers and bankers an opportunity to meet and learn from each other.

Fruitful exchanges with community social action centres

In its effort to deploy microcredit via community social action centres (CCAS), UNCCAS⁽¹⁾ asked the FBF, in April 2007, to come speak at CCAS and present some of the ways that banks and social welfare organisations may work together. The FBF's regional bank committees have participated in similar awareness-raising meetings in Finistère, Vaucluse, Alpes de Haute-Provence, Seine-et-Marne and other departments.

These meetings offer the ideal opportunity to encourage local initiatives and present what bankers have themselves done to help the underprivileged and those who assist them. Social workers with training in banking practices are available at these meetings.

FBF provides useful information

Social workers are aware of the concrete benefits these meetings provide in their day-to-day work. They appreciate the open dialogue they have with bankers and the practicality and utility of the information provided. For example:

- ... The FBF's website at www.lesclesdelabanque.com has a space specifically for social workers that provides the information most needed to assist someone in financial difficulty.
- ... The collection of "Les Clés de la Banque" mini-guides is growing steadily. The most recent booklets deal with SEPA payments, the cost of credit, sending money abroad and the marketing of financial instruments.
- ... Since 2007, the FBF has provided posters to help social workers raise the public's awareness of such key matters as doing without a cheque book, basic banking rights and settling disputes.

FBF PARTICIPATES IN UNCCAS' NATIONAL CONVENTION

On 10-11 October 2007, the FBF played an active role in UNCCAS' national convention in Grenoble (1). In addition to participating in a workshop on the working poor and financial exclusion, the FBF also set up a "Les Clés de la Banque" stand to inform local elected officials and CCAS executives. The stand was visited by some 1,000 people and 1,200 mini-guides were distributed.

(1) The National Union of Community Social Action Centres

... Banks support growth of small and medium businesses

Providing more information about lending

As they had promised, French banks are now providing statistics on their lending to small and medium size enterprises (SME). This new reporting requirement is the achievement of a work group that includes representatives of the government, the banking industry, the business community, the Banque de France and the Banking Commission. It provides a clearer picture of the volume and type of loans granted, the specific economic sectors and the age of borrower firms. The first statistics provided confirm that banks play a key role in the economy, with outstanding loans rising 6% in the first half of 2007.

Making things simpler for companies

Last July, the Secretary of State for Commerce and Foreign Trade convened three groups of experts who were entrusted with the task of simplifying regulatory, fiscal and social obligations for business enterprises. The experts presented their conclusions on 28 September. The banking industry made an active contribution to these efforts. An FBF representative led the Social expert group and, among other things, suggested improving the readability of standards and reducing "threshold effects", which may discourage employment.

Speeding up payments

The FBF believes that payment times are still too long and should be reduced, since they are putting many smaller companies in financial difficulty and diminishing their capacity to borrow. Moreover, the Secretary of State for Commerce and Foreign Trade reconvened the Payments Monitoring Group during the summer and believes that the public sector must be beyond reproach when it comes to paying promptly. The FBF has played an active part in this monitoring group, which presented bank factoring and online transfer services in its report issued last December. In partnership with OSEO and COFACE, the FBF also published a brochure in January to inform SMEs of the various types of short-term financing available.

SEPA – good news for SMEs

The national SEPA Committee - which is composed of representatives of the banking industry, the business community and market participants - has been working to implement European payment means in France. The use of identical payment instruments and international standards throughout the SEPA area will make it easier for SMEs to do business in Europe's expanding market. The SEPA credit transfer, available since the beginning of 2008, meets the need for a single international format for payments between banks and their customers. Furthermore, since SEPA transfers will use 140 characters (compared to 31 currently for national transfers) this will facilitate accounting and administrative tasks.

SME key figures

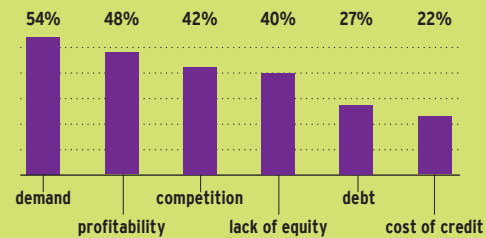
Over 461 billion euros of credit had been lent to SMEs at end-October 2007, representing a year-on-year increase of 15.3%. (Banque de France, loans above €76,000)

French banks continue to play a key role in financing SMEs, and at some of the lowest interest rates in Europe. According to Eurostat, the average interest rate on loans of more than five years to SMEs in France is 4.80%, compared to 5.70% for the euro area.

93,000 new companies have received PCE business start-up loans since this programme has been in effect, enabling the creation of over 124,000 jobs. The PCE business start-up loan programme, which was developed jointly by the banking industry and OSEO, was designed to facilitate the granting of relatively small loans.

COST OF CREDIT NO OBSTACLE TO INVESTMENT

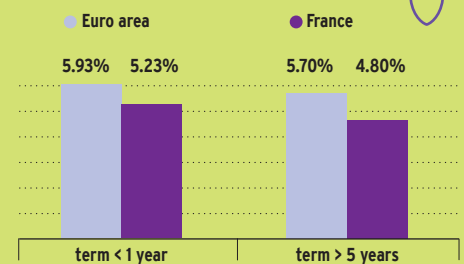
Main obstacles to investment, according to SMEs



Source: OSEO survey of over 1,000 SME managers in May 2007

The two main things that continue to discourage SMEs from investing are sluggish demand and insufficient return on investment. This combination reflects the maturity of investment decisions, in an economic environment that generally offers little long-term visibility. However, only 22% of managers consider the cost of credit to be an obstacle to investment.

Interest rates on new loans to SMEs (< €1 million)

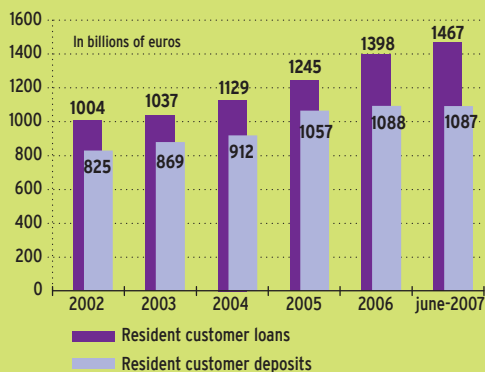


Source: Eurostat - data for Q3 2007

... Banks and their customers – key figures

RESIDENT CUSTOMER DEPOSITS AND LOANS

All credit institutions



Source: Banking Commission

Banks and their customers - key figures

Over 40,000 service outlets in bank branches and post offices at end-2006 (Banque de France).

80% of these are open on Saturday (FBF survey of November 2006).

47,800 automatic teller machines (ATM) in operation at end-2006. The number of ATMs has doubled in 10 years (CECEI).

Over 99% of French residents over age 18 have a bank account. (CCSF annual report - December 2007).

Competitive prices

0.58% of household budgets is what financial services cost the French in 2007. In comparison, 2.73% of household budgets were spent on telephone services (Insee).

The financial services price index at end-November 2007 had not increased over the past twelve months, although the consumer price index rose 2.4% (Insee).

An average of €130 is spent annually on banking services in France, compared to €145 for all of Europe. This price includes the use of all banking facilities, service «packages», payment instruments, penalty fees on delinquent payments and overdrafts and revolving credit. (Mercer Oliver Wyman - July 2004).

A competitive environment

81% of the French believe that the banking industry is competitive. This is five percentage points more than the previous year (Ifop - June 2007).

29% banked at more than one bank in 2007. Almost two-thirds of the French feel that having more than one bank allows them to shop around and select the best of what each bank offers.

6% of the French have switched banks over the past 12 months. This is roughly the total clientele of a major bank.

The average life of a bank account in France is 11 years. (European Commission, Retail Banking Report - 2006).

Meeting people's needs

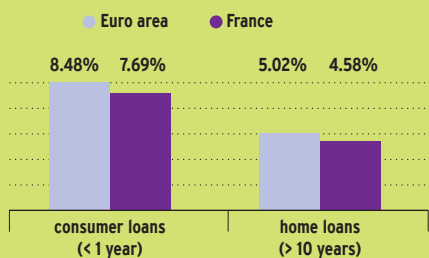
Credit institutions play a fundamental role in financing the home purchases and personal projects of consumers. At end-June 2007, consumer loans totalled 795 billion euros, up almost 11% from the previous year.

50.9% of French households had at least one loan outstanding at end-2006. 32.6% of French consumers had a short-term credit facility and 30.2% had a mortgage loan (Observatoire de l'endettement des ménages).

There have never been so many young home-buyers. Almost 18% of people less than age 30 have taken out a home loan.

AMONG THE LOWEST RATES IN THE EURO AREA

Household loan interest rates
(3rd quarter 2007)



Source: Eurostat - new loans.

Saving securely

83% of the French have a passbook account and 41% have home-ownership saving plans (Insee Consumer Asset survey 2004).

At end-2006, French consumers had 60 million current accounts and 141 million term deposit and savings accounts, including passbook accounts, CEL, PEL and LEP.

The French household saving rate was 15.5% in 2006, according to Insee.

83% of the French have a passbook account and 41% have home-ownership saving plans (Insee Consumer Asset survey 2004).

At end-June 2007, deposits in sustainable-development savings accounts totalled almost 59 billion euros, with these deposits rising by 8 billion euros in six months. The sustainable-development account replaced the Codevi account on 1 January 2007.

A myriad of ways to bank

The Internet - trust grows

60% of Internet users consulted their bank's website in 2007. This figure was 78% for the 25 to 34 age group.

The on-line transactions they are most likely to carry out are downloading account statements and making transfers to and from accounts. A little over one half use the Internet to stop payment on a credit card or cheque and communicate with their account advisor.

Branch offices - still indispensable

41% of French people say they visit their bank's branch office one to three times a month.

ATMs - as popular as ever

86% of the French feel that automatic service devices in branch offices make banking easier.

SMS - very popular with the young

10% of the French population use their bank's SMS alert service, with this figure rising to almost 25% for the 25 to 34 age group (Ifop Bank Image survey - June 2007).

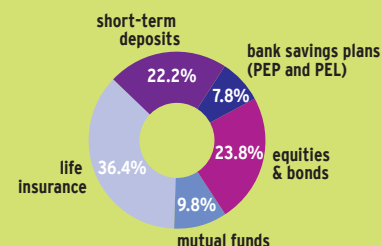
Banks have a good overall image

80% of the French have a good image of their bank and 63% have a good image of banks in general. What people most appreciate about banks is their modernity and use of new technologies, their expertise, their attentiveness to customer needs and their quality of service.

74% of the French feel that banks provide faster service than a few years ago, while 71% and 70% believe respectively that the quality of advice and products have improved.

53% of the French believe that banks are making an effort to provide more information about their prices for the most common transactions (Ifop Bank Image survey - June 2007).

Household savings in 2006 (in %)

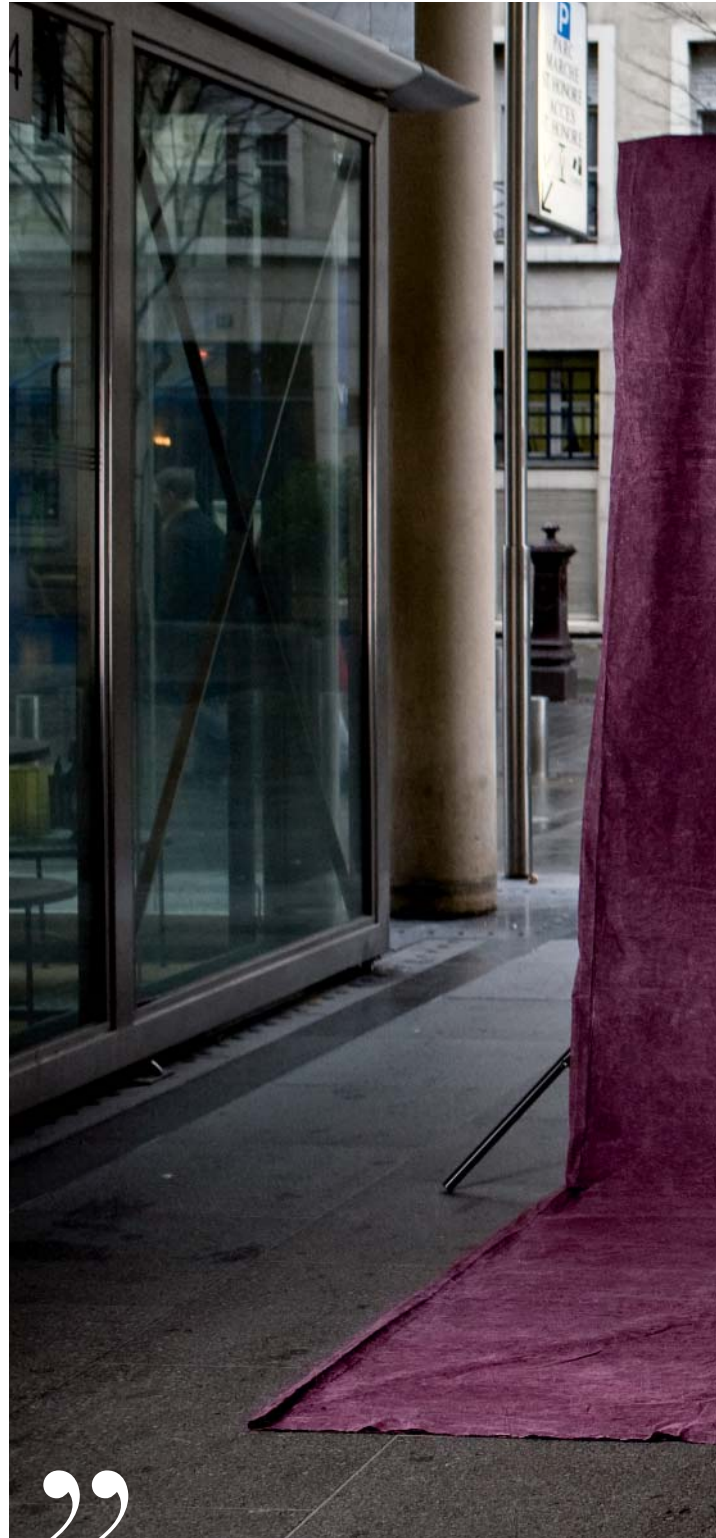


Source: Banque de France (breakdown of assets held)

“ SOFIA,
Internal Auditor

Sofia conducts internal audits on management and control systems at the request of senior management. Internal auditing requires the ability to adapt to new environments, a curious and open mind and discipline.

What Sofia likes most about her job is the varied nature of her work, which allows her to discover various aspects of banking operations in different countries. Moreover, three days after this picture was taken she flew across the Atlantic for an audit. Sofia would one day like to specialise in commodity finance and, since she works for a banking group of global dimensions, take advantage of an opportunity to work in a foreign country.





Chapter 03

PAYMENT INSTRUMENTS

page 28 ----- **THE PAN-EUROPEAN PAYMENTS SYSTEM
TO BE LAUNCHED IN 2008**

France adjusts its SEPA migration plan

A new legal framework for pan-European payments

page 29 ----- **SEPA credit transfers available as of 28 January 2008**

Authorities must specify rules for SEPA cards

Target2, Europe's new large payments system

page 30 ----- **KEY FIGURES**

FRANCE

Payment instruments - a part of everyday life

Cards confirm their popularity

Secure transactions

EN EUROPE

Highly secure large payment systems

A diversity of payment practices

Card security

The vanishing cheque

... The Pan-European payments system to be launched in 2008

The Single Euro Payments Area (SEPA) was up and running in January 2008, with the arrival of the first SEPA credit transfers in 31 countries⁽¹⁾. Preparing for this major event kept European bankers busy throughout 2007. This was also the case for French banks and such payment and processing systems as STET.

France adjusts its SEPA migration plan

The National SEPA Committee, which is co-chaired by Banque de France and the FBF, brings together the major market participants and coordinates the implementation of European payment instruments in France. In October 2007, the Committee updated France's SEPA migration plan to accommodate the new Payment Services Directive. As a result, the second version of the National SEPA Migration Plan issued on 11 October 2007 stipulates that:

- ... SEPA credit transfers are available as of 28 January 2008 in most banks.
- ... SEPA direct debits are to be available in January 2010, once the Payment Services Directive has been transposed into national law throughout SEPA.
- ... All payments cards will gradually be brought into compliance with the SEPA card framework between 2008 and end-2010.

However, remote settlement, TIP interbank payment orders and trade instruments are still used in France, since there are no equivalent SEPA instruments. SEPA does not apply to cheques and e-money.

A new legal framework for pan-European payments

After two years of discussions, the Payment Services Directive was adopted on 24 April 2007. Long-awaited by the banking industry, the directive provides the common legal foundation that is essential to pan-European payments.

During these two years the FBF emphasised the importance of ensuring sufficient security for customers and a level playing field for market participants. The final draft of the directive brought with it the following improvements:

- ... The directive applies only to payments made in euros or in another EU currency, and only between two payment services providers within the EU.
- ... Payment institutions are subject to a stricter prudential framework, although requirements are not as severe as those that apply to banks. A minimum initial capital is now required in accordance with the nature of the payment provider's activity, in addition to specific equity requirements.

The directive must be transposed into the national law of each SEPA country by 1st November 2009. Given the directive's impact on the legal framework for payment instruments in general, and the scope each country is allowed in transposing the directive, French bankers will work with French and European authorities and with other European banks to ensure that the directive is transposed as uniformly as possible in all countries.

THE NATIONAL SEPA COMMITTEE'S NEW WEBSITE

The SEPA France website (www.sepafrance.fr) was launched on 11 October 2007. Developed by the National SEPA Committee, it is the main public source of information on the SEPA project.



(1) The 27 countries of the European Union, Norway, Iceland, Liechtenstein and Switzerland.

SEPA credit transfers available as of 28 January 2008

SEPA credit transfers became available to bank customers in France and Europe on 28 January 2008. SEPA transfers enable euro-denominated funds to be transferred electronically both within France and between all SEPA countries. They will gradually replace current domestic credit transfers and cross-border transfers between the SEPA countries.

The SEPA transfer technical specifications were finalised by the EPC in June 2007. In the second half of the year banks developed the necessary software, tested it internally and performed large-scale testing with payments clearing platforms.

What is most different about SEPA credit transfers is the IBAN and BIC codes used for the recipient's banking details. Furthermore, SEPA transfers use 140 characters, compared to only 31 for domestic transfers in France.

Authorities must specify rules for SEPA cards

The implementation of a pan-European cards payment system, starting in January 2008, will enable businesses, consumers and merchants to use their bank cards to make payments and withdraw cash in euros throughout SEPA as if they were making a domestic payment. Although French cardholders can already do this, this is not the case in all SEPA countries. Moreover, the SEPA EMV chip and secret code comply with the highest security standards.

However, French banks ask that the rules laid down by European authorities be sufficiently clear to justify the large investments they will have to make and ensure the efficiency that SEPA must enable to stimulate competitive initiatives. This is why the FBF was quick to react to the European Commission's ruling last December against cross-border interchange fees in international card payment systems. Because interchange fees are at the very core of bank card systems, this ruling upsets the market's equilibrium and can eliminate the incentive to invest.

Another new development is the co-branding of payment cards. Co-branding, which has been available in several European countries and on various card networks, was authorized in France by the Groupement des Cartes Bancaires on 1st October 2007. Co-branding allows a retail merchant to put its logo on a payment card next to the bank's logo and, in addition to access to the CB, Visa or Mastercard payment systems, entitles the co-branded cardholder to the merchant's special payment facilities and services.

Target2 – Europe's new large payments system

In preparation for the introduction of the euro the Eurosystem developed a new payment and settlement system named Target. The objective was to improve the security and efficiency of large cross-border payments within the euro area and assist the ECB in implementing its monetary policy.

The new Target2 system was developed to meet user needs more effectively and adapt to the European Union's enlargement. Target2 operates on a single platform that is shared by the participating central banks.

In November 2007, the Target2 project entered its operational deployment phase. To minimise risk, the various banking communities will migrate to Target2 in three phases, from November 2007 to May 2008. In February 2008, Target2 will replace the system currently used in France by Paris financial institutions.

In November 2007, the FBF issued a "Les Clés de la Banque" mini-guide booklet on SEPA credit transfers. Prepared in collaboration with the National SEPA Committee, it answers the most frequently-asked questions about this new pan-European payment instrument.

This booklet is available on the fbf.fr and lesclesdelabanque.com websites.



... Key figures – Payment instruments in France

Payment instruments – a part of everyday life

14.9 billion payments made in France in 2007
Over 40 million transactions handled daily.

Total annual payments in 2006: €21 683 bn or 12 times the GDP in France.

Average amount:

- ... Cheque: 577 euros
- ... Payment per card: 50 euros
- ... Withdrawal per card: 70 euros
- ... Transfer: 6 770 euros
- ... Direct debit: 272 euros

Cards confirm their popularity

- ... **There were 78.6 million** bank and private label cards in France in 2006, according to the Observatoire de la sécurité des cartes de paiement (Observatory for Payment Card Security, which monitors payment card security).
- ... **At end-2006 there were some 1.2 million card payment points** (merchants, parking, bus tickets, online payments, etc.), according to GIE CB.
- ... **3.3%** of all card payments by the French in 2006 were made abroad (compared to 2.5% in 2005), according to the Observatoire de la sécurité des cartes de paiement.

Secure transactions

CARD SECURITY

According to the Observatoire de la sécurité des cartes de paiement, the rate of card fraud¹ was only 0.064% in 2006.

60% of all card fraud involves international payments², although these account for less than 10% of all card payments processed by French payment systems.

ONLINE BANKING SECURITY

65% of Internet users consider bank websites to be secure. This figure is 82% for users of online banking services.

58% of Internet users would be willing to accept more inconvenience and access restrictions in exchange for greater security when making purchases or banking online.

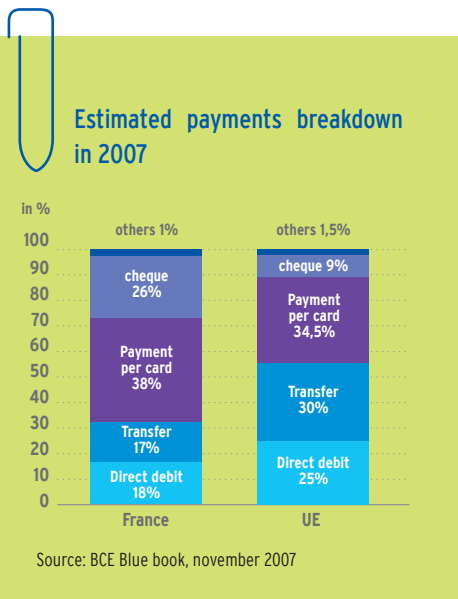
Source: Ifop survey of Bank Image in France. See www.fbf.fr for more information.

Banks have been increasing their customers' awareness of Internet security over the past few years, through various means, such as practical guide books, letters and online messages.

At the start of 2008, banks and other market participants signed a charter sponsored by the Interministerial Committee on the Information Society to promote online authentication.

(1) Ratio of fraud to total amount of payments

(2) Payments made by a French cardholder abroad or a foreign national in France



... Key figures – Payment instruments in Europe

6.4% of euro area GDP - According to the ECB, this was the value of all banknotes and coins in circulation in the euro area in 2006.

73 billion cashless payments were made in 25-member Europe in 2006, with the French accounting for 20% of these. Source: ECB.

Highly secure large payment systems

An average of 2,300 billion euros in payments were handled daily in the first half of 2007 by TARGET, the European gross payment system (source: ECB). The average payment amount during this period was 6.5 million euros.

These large payments (which generally exceed 800,000 euros) are of two types. They may either be single transactions between bank and corporate customers for such purposes as managing cash, making a payment on a large contract or buying a company. Or they may be used to settle the balance of hundreds of millions of retail transactions between banks. Any delay in settling a large payment or default of a debtor may have serious consequences on the payment beneficiary, and even on the economy in general. This is why banks have developed special payment systems that are highly secure.

A diversity of payment practices

Cards were used to make over 1/3 of non-cash payments in Europe in 2006, according to the ECB.

A European makes an average of 157 payments a year, including:

- ... 54 card payments
- ... 47 bank transfers
- ... 40 direct debits
- ... 15 cheques
- ... 1 electronic purse payment.

But this average figure conceals a wide diversity of payment practices in Europe. For example, while the Finnish made an average of 150 payments by card in 2006, Poles made only 9.

Source: ECB Blue Book, November 2007 (2006 data)

Card security

The migration of card systems to the EMV standard throughout Europe will increase the security of cross-border payments.

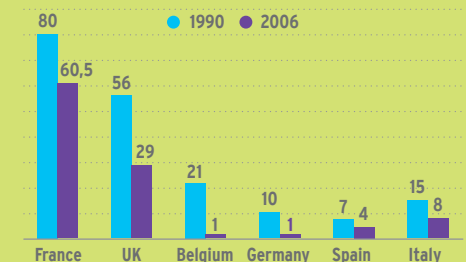
At end-March 2007, almost 54% of payment cards, 52% of card payment terminals and 66% of ATMs in Europe complied with EMV standards. There are however large discrepancies between countries. In France, for example, EMV migration is almost completed.

The vanishing cheque

The number of cheques issued in Europe from 2000 to 2006 has declined at an annual rate of 5%. While the Dutch never write cheques and the average Spaniard will write less than 4 in a year, a French person will write over 60. The French thus accounted for over half (57%) of all cheques issued in Europe in 2006.

Source: ECB Blue Book, November 2007 (2006 data).

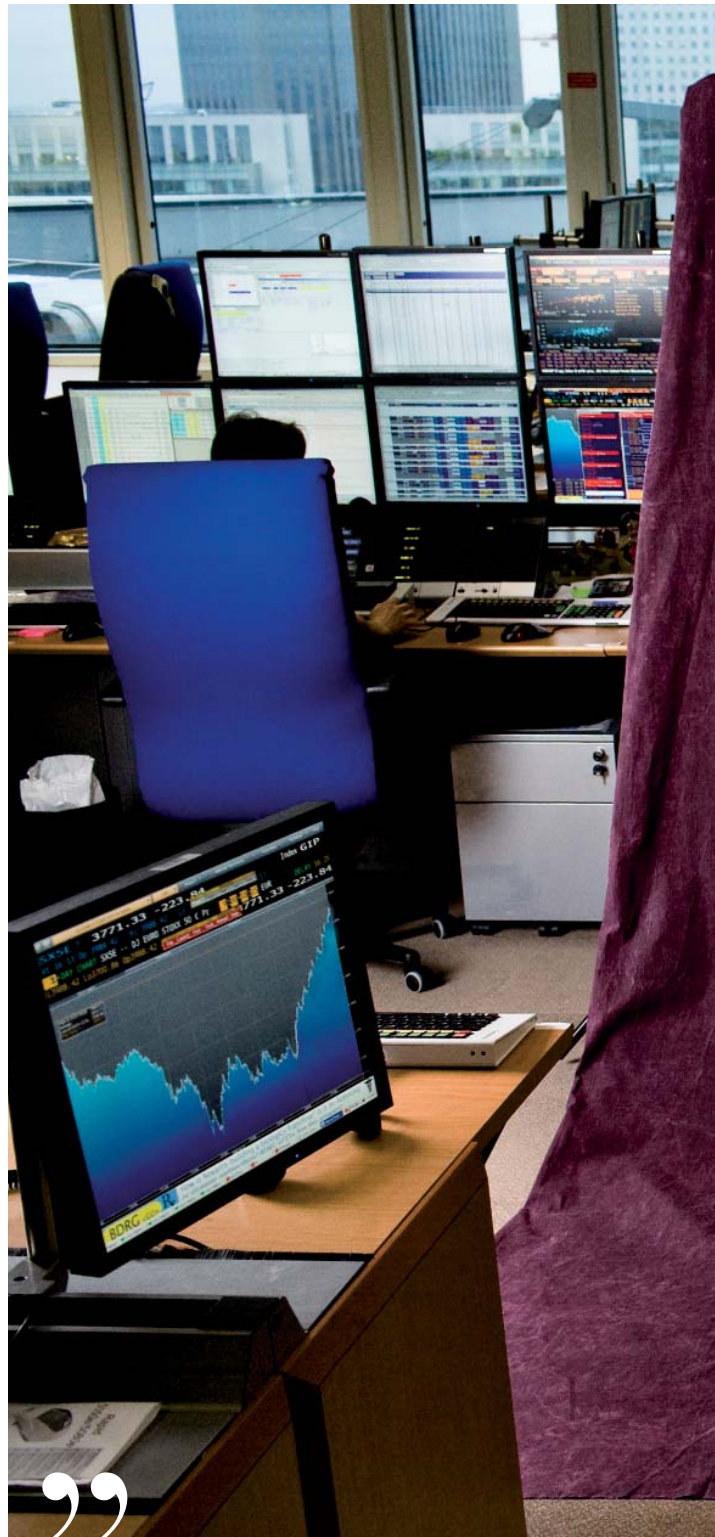
Annual number of cheques per capita
1990 to 2006



Source: Blue Book BCE

“ OLIVIER,
trader

Olivier is currently in charge of a team of several traders. Traders manage market risks, analyse and anticipate market movements on the basis of multiple parameters, and try to implement the best possible strategies to make a profit or hedge a risk. The basic objective is to enable multinational companies, large government agencies and other clients to meet their investment and risk hedging objectives. The financial, technological and industrial complexity of his job is a constant intellectual challenge that Olivier enjoys. There is also nothing like the atmosphere of a trading room – traders are always on the telephone, talking with sales people, financial engineers, IT staff and middle-office assistants.





Chapter 04

BANKING INDUSTRY
HIGHLIGHTS

page 36 ----- **MAKING PARIS A MORE ATTRACTIVE FINANCIAL CENTRE**

MIFID directive increases competition

High-level committee to make Paris more competitive

The "Finance Innovation" cluster is born

FBF will fund five university research chairs in 2008

page 38 ----- **SOUND BANKING PRACTICES**

French banks are ready for new capital adequacy ratio

Working group ensures robust financial markets

page 39 ----- **PREVENTING MONEY LAUNDERING
THE NEED FOR A CLEAR FRAMEWORK**

page 39 ----- **SOCIAL DIALOG IN 2007**

page 40 ----- **KEY FIGURES ON EMPLOYMENT IN THE BANKING SECTOR**

page 41 ----- **KEY FIGURES ON THE BANKING INDUSTRY**

••• Making Paris a more attractive financial centre

Now that the new Markets in Financial Instruments Directive (MiFID) is in effect, making Paris a more attractive financial centre has become a top priority. This may be seen by the government's recent decision to make banking and financial services an official cluster industry and to form a High-Level Committee entrusted with the task of making Paris a more attractive financial centre. However, this work must be pursued and lead to concrete action. The FBF is playing an active role in this effort and has announced that it will fund five university research chairs.

MiFID Directive increases competition

The MiFID Directive, which became effective in November 2007, has very big implications for banks and also for Paris, thus impacting its appeal as a global financial centre. By providing a harmonised framework for investment services and activities, the new directive intensifies competition between financial centres. By abolishing the order "concentration rule", the directive also profoundly modifies the environment for investment services and levels the playing field between exchanges.

MiFID also renews the relationship between banks and their customers by setting forth formal rules for the marketing of investment products. It therefore increases competition in such areas as quality of service, transparency, ensuring that products suit customer needs and that orders are executed in the customer's best interests.

On 1 November 2007, French banks were ready to comply with the new directive. Adapting to the new regulatory framework required a tremendous amount of work to reorganise information systems, train branch staff and inform customers.

A High-level Committee to make Paris more competitive

On June 12, 2007, representatives of the financial services industry met with the President at the Elysee Palace for a round-table meeting. At the meeting the President emphasised how important the banking and financial services industry is to the French economy and employment and announced a plan to make Paris a more competitive financial centre. This plan included the formation of a High-Level Committee entrusted with the task of coordinating the efforts of the public and private sectors to achieve this goal. This committee is chaired by Christine Lagarde, Minister of the Economy, Finance and Employment.

French bankers are pleased to see that the government is aware of the importance of this objective and are participating actively by proposing new measures to promote the development of Paris financial services in each of the key areas being examined by the High-level Committee, which include:

- improving regulation, an objective that must be pursued by supervisory authorities
- modernising securities law
- facilitating procedures for global financial professionals setting up in France

The banking industry has also pointed out the need to revise the payroll tax, which tends to discourage hiring.



END OF STAMP DUTY IS POSITIVE STEP

The 2008 Budget Act abolished stamp duty on stock market transactions in France as of 1 January 2008. Long-awaited by the banking industry, this decision has become essential to preventing the transfer of trading activity from Paris to less costly financial centres. By increasing the cost of transactions made by financial intermediaries established in France, the stamp duty encouraged the "off-shoring" of trades to foreign exchanges. The arrival of the MiFID Directive in November 2007 could only accentuate this trend. This measure is the first concrete step toward making Paris a more competitive financial centre.

The “Finance Innovation” cluster is born

The FBF welcomes the government’s decision to grant cluster status to “Finance Innovation” at the 5 July meeting of the CIIACT, the inter-ministerial committee charged with promoting economic development and competitiveness. This decision is of major importance to Paris banks and financial institutions, since it officially acknowledges that investment banking and capital markets is a high value-added industry that plays a key role in ensuring economic strength and competitiveness.

The financial sector already makes a substantial contribution to French economic growth and finances a steadily increasing share of business activity. Accounting for 4.5% of GDP and 700,000 jobs, it is fundamental to economic growth.

In the Ile-de-France region, the financial services industry accounts for 15% of GDP. Investment banking and capital markets employ directly some 28,000 people and indirectly many others in such related high value-added professions as consultancy, law and accounting. The new “Finance Innovation” cluster can do much to strengthen this industry so critical to economic development and maintain decision-making centres in France.

The FBF will fund five university research chairs in 2008

On 3 April 2007, the FBF announced its intention to begin funding five university research chairs in 2008 to encourage research and education in investment banking and financial markets. Indeed, being competitive in these markets depends to a large extent on financial innovation, on having highly-qualified global staff, and therefore on the quality of university-level education and research. The FBF plans to invest 6.5 million euros over five years.

This innovative approach is in keeping with the banking industry’s initiative launched in 2005. The funding of these university chairs will help to:

- raise the global profile of French universities in the areas of investment banking and capital markets and attract the best students
- recruit top-level professors and provide financial assistance to doctorate and post-doctorate students
- set up new and ambitious programmes that may involve international partnerships with foreign universities
- provide new risk-assessment and control techniques
- increase co-operation between universities and market professionals.

THE FIVE CHAIRS FUNDED BY THE FBF

1. **Investment Banking and Capital Markets Chair**, at IDEI, Université de Toulouse I - Three key points in the financial markets and investment banking value chain.
2. **Future Derivatives Chair**, at École Polytechnique - Financial engineering of derivative instruments whose risks are unhedgeable in financial markets.
3. **Corporate Finance Chair**, at HEC-Université - Corporate finance from an investment banking and capital markets perspective.
4. **Structured Products and Derivatives Chair**, at Edhec.
5. **Credit Risk Chair** at Université d’Evry Val d’Essonne - focusing mainly on the valuation of derivatives.

••• Sound banking practices


French banks ready for new capital adequacy ratio

The new Basel II capital adequacy ratio came into effect in January 2007. Its implementation schedule depends on the risk-assessment method selected. The great majority of French banks have selected the Internal Ratings-Based Advanced (IRBA) approach that became applicable on 1 January 2008. Under this approach, banking groups determine their own internal methods for rating and calculating risks (long-term statistical studies or probability calculations). The models created for this purpose have been validated by the Commission bancaire and the national regulators of the countries in which banks operate. After much hard work, French banks were ready on 1 January 2008.

The Basel II reform seeks to increase the banking system's solidity and stability by ensuring that risks are more accurately assessed and more efficiently managed. Basel II will give regulators and banks a better understanding of the risks involved in banking activities. The reform has therefore led to a more precise segmentation of customers and greater differentiation in terms of the actual credit risk incurred.

Financial disclosure will also be enhanced in terms of both the quality and quantity of information. A key concern for banks will be meeting their disclosure requirements while protecting confidential and competition-sensitive information. The FBF has emphasised the need to harmonise the reporting of this information with that required under the new IFRS 7 financial reporting standard.

Lastly, Basel II provides banks with a structured dialogue framework for reporting to their supervisory authorities. Each bank must present its system for achieving capital adequacy in accordance with its risk profile. Banking supervisors will then examine the bank's internal control mechanisms and, if they feel necessary, may increase the capital requirement above the regulatory minimum. In France, the Internal Control Report already meets some of the requirements of this process, particularly since its scope was expanded in July 2007.



Banks will continue to work with regulatory authorities in 2008 to harmonise European capital-adequacy rules. For example, work is currently underway to establish a common definition of "capital", revise the supervision of "major risks" and establish a reliable common measure of liquidity.

Working group ensures robust financial markets

A working group headed by Banque de France and co-led by FBF has been given the task of setting up an organisation capable of ensuring the continuity of banking and financial activity in the event of an extreme-risk event, such as a natural catastrophe. This group is composed of representatives of the banking industry, market infrastructures, financial trade associations, regulatory authorities and the French government.

The Paris financial community have already created an environment that effectively mitigates risks that is based on current banking regulations, business continuity plans developed by market participants and the results of various trials and tests. In 2008, new tests will be conducted to improve the industry's preparedness for a major electrical blackout.

... Preventing money laundering – the need for a clear framework

In 2007, French banks called the government's attention to the need to amend French law to prepare for the implementation of the 3rd Anti-Money Laundering Directive. The accumulation of new laws and regulations over the past 20 years has resulted in a confusing body of anti-money-laundering rules, with banks sometimes finding themselves faced with conflicting obligations. This diminishes the effectiveness of the overall framework and results in legal insecurity that is all the more serious considering the risk of criminal liability.

This new directive brings some major improvements. It introduces a risk-adjusted approach that will enable banks to focus their attention on the most sensitive situations. However, the FBF believes that the European dimension of money-laundering should have been more adequately addressed. Maintaining the minimum harmonisation approach may cause competitive distortions between the EU member states.

The scope of suspicious transaction reporting, which is fundamental to preventing money laundering, has been considerably extended and will now include all offences punishable by more than one year in prison. In France, unlike most other European countries, this will apply to all business and financial crimes including tax fraud, unless domestic law is amended.

Unless the distinction is made between organised crime and tax fraud, Tracfin may end up being overwhelmed by the large number of suspicious activity reports that are likely to be made. This may also require the creation of files on thousands of people.

The FBF asks that the government find a pragmatic solution to this problem that will enable banks to continue their efforts to effectively prevent money-laundering, in a clearer legal framework.

... Social dialogue in 2007

New agreements negotiated

In **September**, the AFB signed the PERCO-I industry-wide agreement with three unions. This agreement will enable all bank employees to invest in a PERCO-type retirement savings plan even if their employer does not offer one, in addition to the existing PEI and PEE plans.

After ten meetings, local and national union representatives unanimously signed, on 17, 18 and 19 December, new collective agreements for bank employees in Martinique, French Guyana, Guadeloupe, Saint-Martin and Saint-Barthélemy.

The social partners have also been monitoring compliance with existing agreements. One example of this is the Joint Safety Technical Group.

Participating in multi-industry negotiations

Negotiations on the modernisation of the French labour market began in September after a period of "social deliberation" to assess the overall situation. Negotiations ended in January 2008 with a signing of an agreement that introduces the notion of "flexisecurity", allowing French employers to manage their human resources more flexibly while increasing security for employees over the course of their careers.

AFB also participates in ongoing negotiations to take hardship into account for the calculation of retirement benefits. Many meetings between employer and employee representatives were also held at AGIRC and ARRCO to discuss pension plan funding. These negotiations will also be pursued in 2008.

BANKERS JOIN FORCES TO PROMOTE TRAINING

French bankers have developed a common programme to train their employees in the prevention of money laundering. Training modules were updated in February 2007 to account for regulatory changes. By end-2007 over 370,000 bank employees representing over 90% of the sector's total workforce had received this training.

BANKS OBSERVE NEW FRENCH RULES FOR FREEZING ASSETS

The decree of 11 April 2007 established the French framework for freezing terrorist assets. The list of people whose assets French banks are required to freeze supplements the lists issued under the European regulation of 2002, which has been amended 89 times.

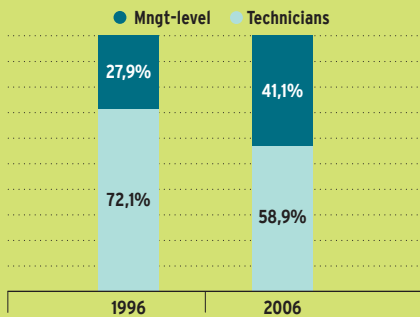
The FBF has worked hard to ensure that screening measures are as effective as possible. It has also emphasised the need for consistency between French and European laws.

Key figures on employment in the banking sector

BANKS INCREASE SHARE OF MANAGEMENT-LEVEL STAFF

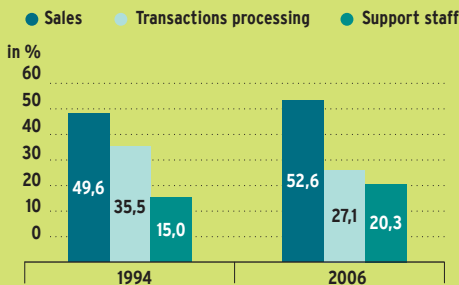
41% of bank personnel have management-level status, compared to an average of 14.7% for all industries. This proportion is expected to increase as the nature of the banking industry evolves.

Share of management-level staff



Source: AFB employment survey of June 2007

STAFF BREAKDOWN BY MAJOR JOB CATEGORY



Source: AFB employment survey of June 2007

Banks are hiring

Almost 400,000 people are employed by a bank in France, with the financial sector as a whole employing some 700,000 people.

30,000 to 40,000 people are hired each year. The banking industry is one of France's largest employers and has recruited 180,000 people over the past five years. A net creator of jobs, the banking industry's workforce rose 0.9% in 2006.

One manager out of three was a woman at end-2006.

People under 30 accounted for 68% of new hires in 2006.

Source: AFB employment survey of June 2007 (2006 data).

Employee training – an ongoing effort

80% of bank industry employees receive some form of training each year (AFB).

Banks spend 4.2% of aggregate wages on training each year, compared to an average of 2.8% for France (AFB and Dares).

8,000 people (almost 2% of the industry's workforce) were trained under work-study programmes. A significant part of these work-study contracts led to a permanent employment contract (AFB).

An increasingly well-educated workforce

43% of new employees had 4 to 5 years of university education, compared to 35% in 2001.

People with 2 or 3 year degrees are still in high demand and accounted for 44.5% of new hires by banks in 2006, vs. 44% in 2001.

12.5% of new employees had passed the equivalent of A-levels (high-school degree) or less (vs. 20.6% in 2001). Under work-study programmes these young recruits can work their way up to higher positions in order to obtain a 2 or 3 year degree. Source: AFB employment survey of June 2007 (2006 data).

Sales staff⁽¹⁾ now account for over half of the bank industry's workforce. The proportion of management and support positions⁽²⁾ has also increased. The need for these positions - which require expertise in such areas as law, auditing and human resources - is also expected to increase. There has been a substantial change in the staff involved in transaction-processing⁽³⁾, where the automation of repetitive tasks has enabled employees to focus on higher value-added activities that require more qualifications.

A better understanding of corporate and investment banking

In 2007, the Observatoire des métiers de la banque, which monitors employment in the banking sector, published a study on front-office positions in corporate and investment banking to promote a better understanding of these corporate banking activities. Some 10,000 people in France work in a corporate and investment banking front-office, as, for example, customer advisors, securities analysts, sales staff, traders or corporate account representatives. Including a part of back-office staff, the corporate and investment banking segment employs an estimated 28,000 people.

(1) Sales positions include: reception and customer services staff, consumer, professional or corporate account managers, financial advisors, branch managers, banking transaction and financial product engineer-advisors, and traders.

(2) Support functions include, for example, Marketing, HR, Legal and Accounting...

(3) Transaction processing includes such positions as IT, unit manager or banking transaction specialists...

••• Key figures on the banking industry

The banking sector contributed **2.6%** to GDP in 2006 (source: CECEI).

Substantial IT investment

French banks process an average of 500 payment transactions per second.

Over 40 billion transactions are handled annually (including payments, securities transactions, etc.). In just one day a bank processes as much information as an automobile manufacturer does in a year!

With 20% of IT expenditures, the financial services sector is one of the biggest users of IT services in France. In 2006 it invested over nine billion euros in IT (Source: Cabinet IDC, January 2007).

IT spending by banks rose 6% in 2006, compared to an average increase of 3% for all sectors. The main priorities for bank IT projects in 2007 were security management and fraud detection, payment systems and customer relationship management (Cabinet IDC, January 2007).

Preventing money laundering – a key priority

Banks plan to increase their anti-money laundering expenditures by 35% from 2008 to 2011, compared to an average increase of 27% for European banks over the same period. The cost of preventing money laundering in banks has risen by 58% from 2004 and 2007.

Transaction monitoring and employee training continue to be the two largest expenditure items, as was the case in 2004. (Source: KPMG, Global Anti-money Laundering Survey 2007 - July 2007).

12,000 suspicious transaction reports were sent to Tracfin in 2006. Banks and credit institutions accounted for over 81% of these (Source: Tracfin).

By end-2007, **370,000 bank employees** had received anti-money laundering training through the industry-wide training programme.

**HOLD-UPS:
22.5% FEWER ARMED ATTACKS
IN BANKS IN 2007**

**Number of armed robberies in banks
from 2000 to 2007**



* Due to the time required to consolidate data the figures for the last year are not final and are therefore subject to revision.

“ ETIENNE,
Retail Banking Legal Officer

After working in the legal departments of several banks, Etienne is now in charge of a team of ten people. His job is highly varied and often requires that he rapidly provide a concrete solution to the various operating departments he supports. Etienne's job includes, for example, preparing marketing and sales partnership agreements and creating new banking products. He is currently helping to design his bank's new range of European payment instruments. Etienne also appreciates the intellectual curiosity his job requires. Indeed, retail banking law is constantly changing.





Chapter 05 -----

THE FBF

page 46 **THE FRENCH BANKING FEDERATION'S
MISSION AND ORGANISATION**

page 47 **FBF STATUTORY BODIES**

page 48 **ORGANISATIONAL CHART**

page 50 **INFORMING THE PUBLIC**

page 51 **AFFILIATED ENTITIES**

page 52 **KEY FIGURES**

••• The French Banking Federation's mission and organisation

Mission

The French Banking Federation was created to defend the interests of the banking and financial services industry in French, European and international markets and present the industry's positions and proposals to government officials, regulatory authorities and other interested parties. The FBF also issues recommendations, helps draft agreements and provides various services to its member banks, which includes keeping them informed of anything that may concern their activities.

Organisation

The FBF is organised into the following three departments:

BANKING BUSINESS AND RESEARCH

This department offers a full spectrum of banking expertise and oversees the FBF's commissions and committees in such areas as retail banking and direct banking, investment banking and capital markets, risk control and capital adequacy compliance, payment systems and instruments, and legal and tax affairs. It also negotiates and works with various French and European government and regulatory authorities.

INFORMATION AND EXTERNAL RELATIONS

The role of this department is to anticipate changes in the political, economic and social environment, promote the role of banking and banks in society and keep the general public informed. It is responsible for public affairs, including relations with government officials, the media, consumers, young people and educators, makes sure that banks are kept informed and organises the activity of the FBF's regional committees.

EUROPEAN AND INTERNATIONAL AFFAIRS

This department, based in Brussels, handles relations with EU institutions and with various bodies that represent the banking and financial services sectors in Europe. It monitors relevant international issues and relations with global banking trade associations and also deals with issues that specifically concern foreign banks established in France.

Who are the members of the FBF?

Credit institutions that are authorised to operate as banks in France and branches of credit institutions based in the European Economic Area are fully entitled to become members of the FBF, which is their professional body⁽¹⁾. Other ipso facto members include the central bodies of cooperative and mutualist banking groups and the AFB.

The FBF represents French banks and foreign banks that have established subsidiaries or branches in France. Member banks may be of any type, including universal, online, investment, private, local, etc.

The list of FBF members is available on the FBF web site, at www.fbf.fr / la FBF / adhérents FBF

(1) According to the French Monetary and Financial Code, all credit institutions must belong to either a "professional body" or a "central body". These bodies are affiliated with the AFCEI, which represents credit institutions and investment firms to the government. There are currently four professional bodies (including the FBF) and five central bodies.

••• FBF Statutory bodies (as of 31 December 2007)

The FBF Executive Committee

The founding members of the FBF are ex-officio members of the Executive Committee. They are represented by an individual who must be either the Chairman or Chief Executive Officer. Each year, the Executive Committee appoints one of its members to act as the FBF's Chairman.



Daniel BOUTON
*FBF Chairman – Chairman and CEO,
Société Générale*



Georges PAUGET
*FBF Vice-Chairman –
Chief Executive Officer, Crédit Agricole SA*



Etienne PFLIMLIN
*FBF Treasurer – Chairman,
Confédération nationale du Crédit Mutuel*



Philippe DUPONT
Chairman, Banque Populaire Group



Charles MILHAUD
*Chairman of the Management Board,
Caisse nationale des Caisses d'Épargne et de
Prévoyance*



Baudouin PROT
Chief Executive Officer, BNP Paribas



Pierre RICHARD (for the AFB)
*Chairman of the Board of Directors,
Dexia Group*



Ariane OBOLENSKY
FBF Chief Executive Officer

Commissions and committees

The Executive Committee has formed three commissions and five committees and appoints their chairmen. Their role is to review various technical issues that affect the banking industry and make proposals. When these proposals concern the banking industry as a whole they are submitted to the Executive Committee for review. These commissions and committees are composed of some 20 members of the French banking community.



**RETAIL BANKING AND DIRECT
BANKING COMMISSION**
Chairman: **Georges PAUGET**
*Chief Executive Officer,
Crédit Agricole SA*



**RISK CONTROL AND PRUDENTIAL
BANKING COMMISSION**
Chairman: **Philippe DUPONT**
Chairman, Banque Populaire Group



**INVESTMENT BANKING AND
CAPITAL MARKETS COMMISSION**
Chairman: **Michel PEBEREAU**
Chairman, BNP Paribas



ACCOUNTING COMMITTEE
Chairman: **Gérard GIL**
*Chief Accounting Officer,
BNP Paribas*



TAX COMMITTEE
Chairman: **Patrick SUET**
*Deputy Corporate Secretary,
Société Générale*



LEGAL COMMITTEE
Chairman: **Jean-Louis GUILLOT**
*Head of Legal Affairs,
BNP Paribas*



**PAYMENT MANAGEMENT
COMMITTEE**
Chairman: **Philippe CITERNE**
*Chief Executive Officer,
Société Générale*



COMPLIANCE COMMITTEE
Chairman: **Patrick WERNER**
*Chairman of the Executive Board,
La Banque Postale*

... Organisational chart as of 31 December 2007

AFB

- ... Jean-Claude Guéry
Social affairs
- ... Olivier Robert de Massy
Professional training delegation

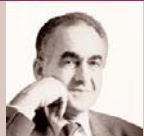


- ... Philippe Gendillou
Operations and Organisation

*Human resources, Finance
and IT management*
- ... Michel Bonnet
General Services



- ... Pierre de Lauzun
Banking Business and Research
- ... Bernard Dutreuil
Payment Systems and Instruments
- ... Françoise Palle-Guillabert
Retail Banking and Direct Banking
- ... Jean Tricou
Investment Banking and Capital Markets
- ... Sylvie Grillet-Brossier
Banking and Accounting Supervision
- ... Pierre Reynier
Taxation
- ... Annie Bac
Legal Affairs



••• Ariane Obolensky
*Chief Executive
Officer*

••• Gérard Girel
Security Adviser



••• Valérie Ohannessian
Information and External Relations

••• Philippe Caplet
*Banking Information Centre
Les clés de la banque*

••• Colette Cova
*Information, press & publications
Communication, Member Services &
Regional Activities*

••• Séverine de Compreignac
Caroline Hupin
Political and Parliament relations



••• Jean-François Pons
European and International Affairs

••• Pascale Brien
European relations in Brussels

••• Hubert d'Étigny
European relations in Paris

••• Estelle Brack
International Relations

••• Édith Chomentowski
Export Finance



●●● Informing the general public

The FBF provides a wide variety of information to such diverse publics as bankers, consumers, students, government officials, European and international regulatory authorities and the media.

THE LATEST MINI-GUIDES PUBLISHED IN 2007:

The SEPA credit transfer
Sending money abroad
The cost of a loan



Local and regional action

The FBF oversees **109** departmental and regional bank committees chaired by local bankers. These committees provide a forum for exchanging information and represent the banking industry to local institutions. They also have the task of informing such diverse publics as elected officials, young people, the media and consumer associations. By being heavily involved in the local community, these committees gain an intimate understanding of local needs and enable them to make a valuable contribution.

When the **University of Caen** decided to set up a new degree in banking it turned to the FBF's local bank committee. The University and local banks then worked together to prepare an IUP programme that addresses the industry's recruitment needs. This co-operation has enabled 99% of these students to find a job within two months after graduation.

Promoting career opportunities in banking

FBF bank committees work in partnership with local universities and educational authorities to set up banking career forums. In 2007, these forums were held in such cities as Brest, Rennes, Lyon, Dijon and Reims and attracted an average of 600 students. In 2008, the committees will be organising career forums in Limoges, Marseille, Nantes and Paris. These forums help young people understand the various job opportunities available in the banking industry and the skills most in demand in their region.

“Les clés de la banque”, a bank information resource for the general public

The **FBF's** “Les clés de la banque” (All About Banking) initiative was launched to give people a better understanding of banking and money management. It includes a series of mini-guide books and a website (www.lesclesdelabanque.com) that provides a wealth of practical information. The objective is to make sure that everyone has the information they need to use banking services properly and avoid problems.

Explaining banking to young people – “Banks, my bank and me”

The **FBF** set up the “Banks, my bank and me” programme to help young people understand how banks work. Working in close partnership with teachers, bank professionals come to high school classes to explain some basic things about banks and money. This makes young people more aware of how bank services should be used and helps ensure that they won't run into any problems.

According to **Ifop**, three-quarters of parents think it's a good idea that representatives of the banking industry come into the classroom to discuss money and banking with their children. Launched in Alsace, this programme was extended to the regions of Languedoc-Roussillon and Lorraine in 2007. Educational authorities in Toulouse, Lille and Rennes have also expressed interest in launching pilot projects.

The FBF in Brussels

The FBF maintains a permanent presence in Brussels, through its representative office. It is thus in direct contact with many key stakeholders and policymakers, such as the main European institutions (EU Commission, Parliament and Council), European banking federations and consumer groups.

Experts in the FBF's Paris office are also called on to deal with European issues. They represent the FBF in the working groups of the European Banking Federation (EBF) and help to determine the European banking industry's positions on various issues.

Informing and sharing experience with member banks

One of the FBF's key tasks is to keep member banks informed about anything that might be relevant to their activities, such as current or future regulations, professional commitments and topical issues. To enable this, the FBF has developed various tools exclusively for its members, such as a secure extranet site, a documentation centre, various publications, a weekly newsletter and personalised e-mail alerts.

In 2007, the FBF began the overhaul of its extranet site reserved for its member banks, to promote interaction. This site, which is updated daily, registered over 160,000 and 320,000 downloads in 2007.

During the year, the FBF organised 28 conference-debates on various topical issues, such as Basel II, accounting standards, MiFID, European payment instruments, European banking rights, post-trade activities, the customer-bank relationship and internal control. This gives bank employees an opportunity to meet specialists and ask them questions.

UNDERSTANDING BANKING

Via its website at www.fbf.fr and its monthly publication *Actualité Bancaire*, the FBF presents current banking issues in France and Europe and explains its positions. Five thousand copies of the *Actualité Bancaire* newsletter are published each month. It can also be downloaded from the FBF website.



●●● FBF affiliated entities

Le comité français d'organisation et de normalisation bancaires

(CFONB)

Created in 1930, the CFONB oversees the standardisation and organisation of banking activities in France. It is authorised to act as the standards bureau of AFNOR, the French standards association. Although its work mainly concerns payment systems and instruments it also deals with securities.

La revue banque group

La revue banque group has four distinct activities: press (*Revue Banque*, *Banque Stratégie*, *Banque & Droit* and *Banque & Marchés*); organising seminars, including the "Club Banque", a series of monthly conferences; publishing, with a collection of some 200 publications intended for banking professionals, academics and sometimes a more general public; and administering the banking and finance library of which some 13,000 items are now available online at www.revuebanquelibrairie.com.

OPCA-banques

A joint fund-raising body of the member banks of the French Banking Association, OPCA-Banques has three main functions: collecting training fund contributions; advising banks in the area of training; and allocating funding for bank training initiatives.

L'association française des banques (AFB)

The AFB is a founding member of the FBF and sits on the Executive Committee where it mainly represents small and medium-sized banks and foreign banks established in France. The AFB is now also the professional body of commercial banks and the Banque Populaire Group with respect to the social aspects of the collective labour agreement of January 2000.

••• The FBF – key figures

Who are the members of the FBF?

The FBF has **450 member banks**.

These banks represent a total of **33 different countries**.

Member banks employ from **1 to over 40,000 employees in France**.

The FBF

100 people work at the FBF, including permanent staff and experts from member banks on secondment.

109 local committees throughout France.

2,500 bank employees participate in local FBF committees that deal with issues specific to the banking industry.

Something for everyone, throughout France

10,000 students have participated in the banking career forums that FBF bank committees have organised in partnership with local universities over the past three years.

6,000 social workers have attended awareness-raising meetings organised by the FBF throughout France. This gives them the information they need to assist households in financial difficulty more effectively.

4,500 junior-year high-school students have attended “Banks, my bank and me” presentations, during which banking professionals work closely with educational authorities and teachers to explain banking and money-related matters.

Europe, a very concrete reality for all FBF employees

Over **70% of French laws** originate in Brussels.

The FBF responded to over 50 European and international consultations in 2007, launched by the European Commission, CESR, CEBS and EPC, and also such organisations as the OECD, IASB and IOSCO.

Keeping member banks informed

Almost **4,000 bankers** have attended the FBF’s conference-debates, at which almost 190 bank experts and banking authorities have spoken.

405 “member memos” were e-mailed to member banks in 2007, concerning such things as new regulations, the industry’s commitments, etc.

Websites for all publics

www.fbf.fr received over **400,000 visits in 2007**, with 1.3 million pages viewed. The site is updated several times a week. Almost 7,000 people subscribe to the monthly newsletter or press release alerts.

The **www.lesclesdelabanque.com** website received **1 million visits in 2007**, with 3.5 million pages viewed. 4,000 people subscribe to the “Clés Mag” newsletter.



THIS DOCUMENT WAS DESIGNED
AND CREATED BY THE INFORMATION
AND EXTERNAL RELATIONS DEPARTMENT
OF THE FBF

18, RUE LA FAYETTE - 75440 PARIS CEDEX 09
TEL.: +33 (0)1 48 00 52 52 - FAX: +33 (0)1 42 46
76 40

WWW.FBF.FR - WWW.LESCLESDELABANQUE.COM

COMPLETED DECEMBER 31, 2007
PRINTED IN MARCH 2008

HEAD OF PUBLICATION:
ARIANE OBOLENSKY

COPYRIGHT REGISTRATION: 1ST QUARTER 2008
ISSN ALLOCATION PENDING

GRAPHIC DESIGN:
ALLEGORIES 57, RUE DE SEINE 75006 PARIS
PHOTOGRAPHS: FRÉDÉRIC STUCIN
LAYOUT: STÉPHANIE LOYER



FEDERATION
BANCAIRE
FRANCAISE



Customer advisor



Trader



Internal auditor



Legal Officer



SME Advisor