

Final Terms dated 14 June 2010



**Municipal Agency**

**DEXIA MUNICIPAL AGENCY**

**(the "Issuer")**

Euro 75,000,000,000

Euro Medium Term Note Programme

for the issue of *Obligations Foncières*

Due from one month from the date of the original issue

**SERIES NO: 406**

**TRANCHE NO: 2**

**Euro 200,000,000 2.750 per cent. *Obligations Foncières* due 20 July 2015 (the "Notes")  
to be assimilated (*assimilables*) and form a single series with the existing**

**Euro 1,000,000,000 2.750 per cent. *Obligations Foncières* due 20 July 2015 issued on  
26 April 2010 (the "Existing Notes")**

Issue Price: 100.567 per cent. of the Aggregate Nominal Amount of the Tranche plus an amount corresponding to accrued interest at a rate of 0.384246 per cent. of such Aggregate Nominal Amount for the period from, and including, 26 April 2010 to, but excluding, the Issue Date

**NOMURA INTERNATIONAL  
SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING**

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of *Obligations Foncières* in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (the “**Prospectus Directive**”) (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the *Obligations Foncières*. Accordingly any person making or intending to make an offer in that Relevant Member State of the *Obligations Foncières* may only do so in circumstances in which no obligation arises for the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Manager has authorised, nor do they authorise, the making of any offer of *Obligations Foncières* in any other circumstances.

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated 10 July 2009 (the “**Base Prospectus**”) and the supplements to the Base Prospectus dated 1 September 2009, 8 December 2009, 15 January 2010, 9 February 2010, 4 March 2010, 7 April 2010 and 3 June 2010 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC).

This document constitutes the Final Terms of the *Obligations Foncières* described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer and the offer of the *Obligations Foncières* is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus and the supplements to the Base Prospectus are available for viewing at the office of the Fiscal Agent or each of the Paying Agents and were published in accordance with the provisions of Article 14 of the Prospectus Directive, admitting the validity of disclosure carried out, *inter alia* and always at the choice of the Issuer, through release on the website of the Issuer ([www.dexia-ma.com](http://www.dexia-ma.com)) or on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), and copies may be obtained from Dexia Municipal Agency, Tour Dexia, La Défense 2 - 1, passerelle des Reflets, TSA 92202 - 92919 La Défense Cedex, France.

***For the avoidance of doubt, the Obligations Foncières do not, and are not intended to benefit from any state guarantee.***

1	Issuer:	Dexia Municipal Agency
2	(i) Series Number:	406
	(ii) Tranche Number:	2
		The Notes will, upon listing, be assimilated ( <i>assimilables</i> ) and form a single series with the Existing Notes)
3	Specified Currency:	Euro (“€”)
4	Aggregate Nominal Amount:	
	(i) Series:	€1,200,000,000
	(ii) Tranche:	€200,000,000

<b>5</b>	Issue Price:	100.567 per cent. of the Aggregate Nominal Amount of the Tranche plus an amount corresponding to the accrued interest at a rate of 0.384246 per cent. of such Aggregate Nominal Amount for the period from, and including, 26 April 2010 to, but excluding, the Issue Date.
<b>6</b>	Specified Denomination:	€1,000
<b>7</b>	(i) Issue Date:	16 June 2010
	(ii) Interest Commencement Date:	26 April 2010
<b>8</b>	Maturity Date:	20 July 2015
<b>9</b>	Interest Basis:	2.750 per cent. Fixed Rate
<b>10</b>	Redemption/Payment Basis:	Redemption at par
<b>11</b>	Change of Interest or Redemption/Payment Basis:	Not Applicable
<b>12</b>	Call Options:	Not Applicable
<b>13</b>	(i) Status of the <i>Obligations Foncières</i> :	<i>Obligations Foncières</i>
	(ii) Dates of the corporate authorisations for issuance of <i>Obligations Foncières</i> obtained:	Decision of the <i>Directoire</i> of Dexia Municipal Agency dated 4 June 2010 deciding the issue of the <i>Obligations Foncières</i> and authorising Mr François Laugier, President or its <i>Directeur Général</i> Mr Gilles Gallerne or Mr Christophe Piatte to sign and execute all documents in relation to the issue of the <i>Obligations Foncières</i> .
<b>14</b>	Method of distribution:	Syndicated

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

<b>15</b>	<b>Fixed Rate</b>	<b><i>Obligation Foncière</i></b>	Applicable
	<b>Provisions</b>		
	(i) Rate of Interest:		2.750 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):		20 July in each year commencing on (and including) 20 July 2010 up to and including the Maturity Date  There will be a short first coupon in respect of the first Interest Period from and including the Interest Commencement Date to, but excluding, 20 July 2010

(iii)	Fixed Coupon Amount:	€27.50 per <i>Obligation Foncière</i> of €1,000 in nominal amount subject to "Broken Amount(s)" below
(iv)	Broken Amount(s):	In respect of the first Interest Payment Date, €6.4041 per <i>Obligation Foncière</i> of €1,000 in nominal amount
(v)	Day Count Fraction (Condition 5(a)):	Actual/Actual (ICMA) (unadjusted)
(vi)	Determination Date(s) (Condition 5(a)):	20 July in each year
(vii)	Other terms relating to the method of calculating interest for Fixed Rate <i>Obligations Foncières</i> :	Not Applicable
<b>16</b>	<b>Floating Rate Provisions</b>	Not Applicable
<b>17</b>	<b>Zero Coupon <i>Obligation Foncière</i> Provisions</b>	Not Applicable
<b>18</b>	<b>Index Linked Interest <i>Obligation Foncière</i> /other variable-linked interest <i>Obligations Foncières</i> Provisions</b>	Not Applicable
<b>19</b>	<b>Dual Currency <i>Obligation Foncière</i> Provisions</b>	Not Applicable
<b>PROVISIONS RELATING TO REDEMPTION</b>		
<b>20</b>	<b>Call Option</b>	Not Applicable
<b>21</b>	<b>Other Option</b>	Not Applicable
<b>22</b>	<b>Final Redemption Amount of each <i>Obligation Foncière</i></b>	€1,000 per <i>Obligation Foncière</i> of €1,000 Specified Denomination
<b>23</b>	<b>Early Redemption Amount</b>	
	Early Redemption Amount(s) of each <i>Obligation Foncière</i> payable on redemption for taxation reasons or on any early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	Not Applicable
<b>GENERAL PROVISIONS APPLICABLE TO THE <i>OBLIGATIONS FONCIÈRES</i></b>		
<b>24</b>	<b>Form of <i>Obligations Foncières</i>:</b>	Dematerialised <i>Obligations Foncières</i>
	(i) Form of Dematerialised <i>Obligations Foncières</i> :	Bearer dematerialised form ( <i>au porteur</i> )
	(ii) Registration Agent	Not Applicable
	(iii) Temporary Global Certificate:	Not Applicable
	(iv) Applicable TEFRA exemption:	Not Applicable

- |           |   |  |
|-----------|---|--|
| <b>25</b> | Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates:<br>(i) Adjusted Payment Date (Condition 7(h)):  | TARGET<br>The following business day   |
| <b>26</b> | Talons for future Coupons or Receipts to be attached to definitive Materialised <i>Obligations Foncières</i> (and dates on which such Talons mature):   | Not Applicable   |
| <b>27</b> | Details relating to Partly Paid <i>Obligations Foncières</i> : amount of each payment comprising the Issue Price and date on which each payment is to be made [and consequences (if any) of failure to pay] | Not Applicable   |
| <b>28</b> | Details relating to Instalment <i>Obligations Foncières</i> : amount of each instalment, date on which each payment is to be made:  | Not Applicable   |
| <b>29</b> | Redenomination, renominalisation and reconventioning provisions:  | Not Applicable   |
| <b>30</b> | Consolidation provisions:   | Not Applicable   |
| <b>31</b> | Representation of holders of <i>Obligations Foncières - Masse</i> (Condition 10):   | Applicable<br>The initial Representative will be:<br>Antoine de Chauveron<br>23, avenue Foch<br>75016 Paris<br>The alternative Representative will be:<br>Laurent Vallery Radot<br>23, avenue Foch<br>75016 Paris<br>The Representative will not be remunerated. |
| <b>32</b> | Other final terms:  | Not Applicable   |

#### DISTRIBUTION

- |           |  |  |
|-----------|--|--|
| <b>33</b> | (i) If syndicated, names and addresses of Managers and underwriting commitments: | <p><b>Nomura International plc</b><br/>Nomura House<br/>1 St Martin's-le-Grand<br/>London EC1A 4NP<br/>United Kingdom<br/>Underwriting commitment: €100,000,000</p> <p><b>Société Générale</b><br/>Tour Société Générale<br/>17, cours Valmy<br/>92987 Paris La Défense<br/>France<br/>Underwriting commitment: €100,000,000</p> |
|-----------|--|--|

	(ii) Date of Subscription Agreement:	14 June 2010
	(iii) Stabilising Manager(s) (if any):	Société Générale
<b>34</b>	If non-syndicated, name and address of Dealer:	Not Applicable
<b>35</b>	Total commission and concession:	0.1 per cent. of the Aggregate Nominal Amount of the Tranche
<b>36</b>	Additional selling restrictions:	Not Applicable
<b>37</b>	Non-exempt Offer:	Not Applicable

#### **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for the issue and admission to trading on the Regulated Market of the Luxembourg Stock Exchange of the *Obligations Foncières* described herein pursuant to the Euro 75,000,000,000 Euro Medium Term Note Programme of Dexia Municipal Agency.

#### **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

Duly represented by:

## PART B – OTHER INFORMATION

### 1. RISK FACTORS

Not Applicable.

### 2. LISTING AND ADMISSION TO TRADING

Application has been made by the Issuer (or on its behalf) for the *Obligations Foncières* to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange (the “LSE”) with effect from 16 June 2010.

The Existing Notes are already listed on the official list of the LSE and admitted to trading on the regulated Market of the LSE.

### 3. RATINGS

Ratings: *Obligations Foncières* to be issued under the Programme are expected to be rated AAA by Standard & Poor's Rating Services and AAA by Fitch Ratings and Aaa by Moody's Investors Services, Inc.

### 4. SPECIFIC CONTROLLER

The specific controller (*contrôleur spécifique*) of the Issuer has certified that the value of the assets of the Issuer will be greater than the value of its liabilities benefiting from the *privilège* defined in Article L. 515-19 of the French Monetary and Financial Code, after settlement of this issue and of the issues which have been the subject of previous attestations.

### 5. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as disclosed in the “Subscription and Sale”, so far as the Issuer is aware, no person involved in the offer of the *Obligations Foncières* has an interest material to the offer.

### 6. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: The net proceeds of the issue of the *Obligations Foncières* will be used for the Issuer's general corporate purposes.
- (ii) Estimated net proceeds: €201,702,492
- (iii) Estimated total expenses: Estimated listing fees: €700

### 7. YIELD

Indication of yield: 2.630 per cent. per annum

Calculated at the Issue Date in accordance with the ICMA method, which determines the effective interest rate of the *Obligations Foncières* taking into account accrued interest on a daily basis on the Issue Date.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

## 8. OPERATIONAL INFORMATION

ISIN Code: FR0010888420

Common Code: 050362159

Depositories:

(i) Euroclear France to act as Central  
Depository: Yes

(ii) Common Depository for Euroclear Bank  
S.A./N.V. and Clearstream, Luxembourg: No

Any clearing system(s) other than Euroclear and  
Clearstream, Luxembourg and the relevant  
identification number(s): Not Applicable

Delivery: Delivery against payment

The Agents appointed in respect of the *Obligations  
Foncières* are:

**Fiscal Agent, Principal Paying Agent and  
Luxembourg Listing Agent:**

Dexia Banque Internationale à Luxembourg,  
société anonyme  
69, route d'Esch  
L-1470 Luxembourg  
Grand-Duchy of Luxembourg

**Paying Agents:**

Dexia Bank Belgium SA  
44, boulevard Pachéco  
B-1000 Brussels  
Belgium  
RBC Dexia Investor Services Bank France S.A.  
105, rue Réaumur  
75002 Paris  
France

Name and address of the Calculation Agent: Not Applicable

Names and addresses of additional Paying  
Agent(s) (if any): Not Applicable

The aggregate principal amount of *Obligations  
Foncières* issued has been translated into Euro at  
the rate of [currency] per Euro 1.00, producing a  
sum of: Not Applicable