

DEXIA CRÉDIT LOCAL

(société anonyme)

Euro 40,000,000,000

Euro Medium Term Notes

Due from one month from the date of original issue

Under the Euro Medium Term Note Programme (the "Programme") described in this Base Prospectus, Dexia Crédit Local (the "Issuer"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "Notes"). For the avoidance of doubt, no Notes will have the benefit of a guarantee.

The aggregate nominal amount of Notes outstanding will not at any time exceed Euro 40,000,000,000 (or its equivalent in other currencies). This Base Prospectus replaces and supersedes the Base Prospectus dated 18 December 2009.

The Notes may (i) be issued on a subordinated or an unsubordinated basis, (ii) be issued or redeemed at their nominal amount or at a premium over or discount to their nominal amount, or may be redeemed at a variable amount linked to an index or formula, (iii) bear interest on a fixed or floating rate or index or formula-linked basis or not bear interest and (iv) be paid in a currency or currencies other than the original currency of issue.

Notes will be issued on a continuous basis in series (each a "Series") having one or more issue dates and the same maturity date, bearing interest (if any) on the same basis and at the same rate (except in respect of the first payment of interest) and on terms otherwise identical (or identical other than in respect of the first payment of interest, the issue date, the issue price and the nominal amount), the Notes of each Series being intended to be consolidated as regards their financial service (*assimilables*) with all other Notes of that Series. Each Series may be issued in tranches ("Tranches") on different issue dates. The specific terms of each Series of Notes (which will be supplemented where necessary with supplemental terms and conditions) will be determined at the time of the offering of each Series based on the then prevailing market conditions and will be set forth in the relevant Final Terms (as defined herein).

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "CSSF") in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities, for the approval of this Base Prospectus as a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (as amended by Directive 2010/73/EC (except as otherwise specified herein) (the "2010 PD Amending Directive") (the "Prospectus Directive"). Application has also been made to the Luxembourg Stock Exchange for the Notes issued under the Programme to be admitted to the official list of the Luxembourg Stock Exchange (the "Official List") and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange (the "Regulated Market"). Application may in the future be made, in certain circumstances, to list Notes on such other or further stock exchanges as may be agreed between the Issuer and the relevant Dealer. The Regulated Market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments (each such market being an "EEA Regulated Market"). Unlisted Notes may also be issued pursuant to the Programme. The relevant Final Terms in respect of the issue of any Notes will specify whether or not such Notes will be listed and, if so, the relevant stock exchange(s).

The Issuer may, and in certain circumstances shall, redeem the Notes if certain French taxes are imposed or, if the Final Terms issued in respect of any Series so provide, in the circumstances set out in such Final Terms. See "Terms and Conditions of the Notes — Taxation" and "Terms and Conditions of the Notes — Redemption, Purchase and Options".

Notes of each Tranche of each Series to be issued in bearer form ("Bearer Notes") will initially be represented by a temporary global Note (each a "temporary Global Note") or by a permanent global Note (each a "permanent Global Note" and, together with the temporary Global Note, the "Global Notes"), in either case in bearer form, without interest coupons which may be (a) in the case of a Tranche intended to be cleared through Euroclear (as defined below) and/or Clearstream Banking, société anonyme ("Clearstream, Luxembourg") (x) if the Global Notes are stated in the applicable Final Terms to be issued in new global note ("NGN") form which are intended to be eligible collateral for Eurosystem monetary policy, delivered on or prior to the original issue date of the Tranche to a common safekeeper (the "Common Safekeeper") for Euroclear and Clearstream, Luxembourg; or (y) in the case of Global Notes which are not issued in NGN form ("Classic Global Notes" or "CGNs"), deposited on the issue date with a common depository on behalf of Euroclear and Clearstream, Luxembourg (the "Common Depository"), (b) in the case of a Tranche intended to be cleared through Euroclear France, deposited on the issue date with Euroclear France acting as central depository and (c) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear, Clearstream, Luxembourg and Euroclear France or delivered outside a clearing system, deposited on the relevant issue date as agreed between the Issuer and the relevant Dealer.

Notes of each Tranche of each Series to be issued in registered form ("Registered Notes") and which are sold in an "offshore transaction" within the meaning of Regulation S (as defined below) under the U.S. Securities Act of 1933, as amended (the "Securities Act") will initially be represented by a permanent registered global certificate (each an "Unrestricted Global Certificate"), without interest coupons, which may (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, Luxembourg, (x) if the Unrestricted Global Certificate is held under the New Safekeeping Structure (the "NSS"), be deposited on or prior to the issue date to the Common Safekeeper; or (y) if the Unrestricted Global Certificate is not held under the NSS, be deposited on the issue date with a common depository on behalf of Euroclear and Clearstream, Luxembourg and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear, Clearstream, Luxembourg, DTC (as defined below) or delivered outside a clearing system, as agreed between the Issuer and the relevant Dealer. Registered Notes which are sold in the United States to qualified institutional buyers within the meaning of Rule 144A under the Securities Act will initially be represented by a permanent registered global certificate (each a "Restricted Global Certificate" and, together with the "Unrestricted Global Certificate", the "Global Certificates"), without interest coupons, which may be deposited on the issue date either (x) with a common depository on behalf of Euroclear and Clearstream, Luxembourg, or (y) with a custodian for, and registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"). Beneficial interests in Global Certificates held by Euroclear, Clearstream, Luxembourg and/or DTC will be shown on, and transfers thereof will be effected only through, records maintained by DTC, Clearstream, Luxembourg and/or Euroclear and their participants. See "Clearing and Settlement". The provisions governing the exchange of interests in the Global Notes for other Global Notes and definitive Notes and the exchange of interests in each Global Certificate for individual certificates ("Individual Certificates" and, together with any Global Certificates, the "Certificates") are described in "Summary of Provisions relating to the Notes while in Global Form".

Tranches of Notes (as defined in "Summary") to be issued under the Programme may be rated or unrated. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Potential purchasers of Notes should inform themselves of the rating(s) (if any) applicable to a Tranche of Notes before making any decision to purchase such Notes. The rating of the Notes, if any, will be specified in the relevant Final Terms. The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 (the "CRA Regulation") will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

Dealers

BNP PARIBAS

Citi

Dexia Capital Markets

Goldman Sachs International

J.P. Morgan

Nomura

UBS Investment Bank

BofA Merrill Lynch

Credit Suisse

Dexia Crédit Local

HSBC

Morgan Stanley

Société Générale Corporate & Investment Banking

Arranger for the Programme

Goldman Sachs International

The date of this Base Prospectus is 7 January 2011.

This Base Prospectus (together with supplements to this Base Prospectus from time to time (each, a “Supplement” and together the “Supplements”) constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the “Prospectus Directive”) for the purpose of giving information with regard to the Issuer and the Issuer and its subsidiaries taken as a whole (the “Dexia Crédit Local Group”), as well as the base terms and conditions of the Notes to be issued under the Programme. In relation to each separate issue of Notes, the final terms, including the final offer price and the amount of such Notes will be determined by the Issuer and the relevant Dealers in accordance with prevailing market conditions at the time of the issue of the Notes and will be set out in the relevant Final Terms, substantially in the form of the pro forma Final Terms set out in this Base Prospectus.

This Base Prospectus is to be read in conjunction with all documents which are incorporated herein by reference as described in the section entitled “Documents Incorporated by Reference” below. This Base Prospectus shall be read and construed on the basis that such documents are so incorporated in, and form part of, this Base Prospectus.

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers (as defined in “General Description of the Programme”). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Dexia Crédit Local Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Dexia Crédit Local Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

To the fullest extent permitted by law, none of the Dealers (other than Dexia Crédit Local in its capacity as Dealer) or the Arranger accept any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Dealer (other than Dexia Crédit Local in its capacity as Dealer) accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement. Neither this Base Prospectus nor any other financial statements nor any other information incorporated by reference are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements or any other information incorporated by reference should purchase the Notes.

Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers (other than Dexia Crédit Local in its capacity as Dealer) or the Arranger undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

This Base Prospectus does not constitute, and may not be used in connection with, an offer of, or an invitation to any person to whom it is unlawful to make such offer or invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the

Issuer and the Dealers to inform themselves about and to observe any such restrictions. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of the Notes in the European Economic Area and certain member states thereof (“EEA Member States”), Japan and the United States (see the section entitled “Plan of Distribution” below).

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE NOTES MAY INCLUDE BEARER NOTES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD OR, IN THE CASE OF BEARER NOTES, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”) OR, IN THE CASE OF MATERIALISED NOTES IN BEARER FORM, THE U.S. INTERNAL REVENUE CODE OF 1986 AS AMENDED (THE “U.S. INTERNAL REVENUE CODE”)).

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF THE NOTES OR THE ACCURACY OR ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S AND WITHIN THE UNITED STATES TO “QUALIFIED INSTITUTIONAL BUYERS” IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”). PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF THE NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES AND TRANSFERS OF THE NOTES AND DISTRIBUTION OF THIS BASE PROSPECTUS, SEE THE SECTIONS ENTITLED “TRANSFER RESTRICTIONS” AND “PLAN OF DISTRIBUTION” BELOW.

NOTICE TO NEW HAMPSHIRE RESIDENTS: NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

In connection with the issue of any Tranche (as defined in “General Description of the Programme”) of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) in the applicable Final Terms (the “Stabilising Manager(s)”) (or persons acting on behalf of any Stabilising Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the

offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but such action must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with applicable laws and regulations.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to "U.S.\$" are to United States dollars and references to "Euro", "EUR" or "€" are to the single currency of the participating member states of the European Union which was introduced on 1 January 1999.

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, HOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS BASE PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY HOLDERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON HOLDERS UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUER IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE ISSUER OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) HOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for the information contained in this Base Prospectus (including, for the avoidance of doubt, any free translations incorporated by reference in this Base Prospectus). The Issuer declares, having taken all reasonable care to ensure that such is the case, that to the best of the knowledge of the Issuer the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

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SUMMARY

The following paragraph is to be read as an introduction to the Summary if the relevant Member State has not implemented the changes to the Summary requirements under Directive 2010/73/EC (the "2010 PD Amending Directive")

This summary must be read as an introduction to this Base Prospectus. Any decision to invest in any Notes should be based on a consideration by any investor of this Base Prospectus as a whole, including any documents incorporated herein by reference, by any investor. Following implementation of the relevant provisions of Directive 2003/71/EC (the "Prospectus Directive") (but not including any amendment thereto pursuant to Directive 2010/73/EC) as supplemented by the European Commission Regulation No.809/2004 (the "Prospectus Regulation"), in each EEA Member State, no civil liability will attach to the Issuer on the basis of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus.

Where a claim relating to information contained in this Base Prospectus is brought before a court in an EEA State the plaintiff may, under the national legislation of the EEA State where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.

Words and expressions defined in "Terms and Conditions of the Notes" below shall have the same meanings in this summary.

The following paragraph is to be read as an introduction to the Summary if the relevant Member State has implemented the changes to the Summary requirements under the 2010 PD Amending Directive

This summary must be read as an introduction to this Base Prospectus and is provided as an aid to investors when considering whether to invest in the Notes, but is not a substitute for the Base Prospectus. Any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole, including any documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC, as amended) in each Member State of the European Economic Area, no civil liability will attach to the Responsible Persons in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.

Where a claim relating to information contained in this Base Prospectus is brought before a court in an EEA Member State, the plaintiff may, under the national legislation of the EEA Member State where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.

Words and expressions defined in "Terms and Conditions of the Notes" below and in the applicable Final Terms shall have the same meanings in this summary.

Issuer	Dexia Crédit Local (a <i>société anonyme</i>).
Description of Issuer	Dexia Crédit Local is a limited company (<i>société anonyme</i>) incorporated under French company law having its registered office in La Défense, France. Dexia Crédit Local is registered as a company under the number 351804042 Nanterre (<i>Registre du Commerce et des Sociétés</i>). Dexia Crédit Local is administered by a Board of Directors (<i>conseil d'administration</i>).

Dexia Crédit Local is a banking institution (*établissement de crédit*) established under the French banking law dated 24 January 1984 as amended and supplemented from time to time (and incorporated in the *Code monétaire et financier*) (the “French Banking Law”), being an entity authorised to carry out banking operations, subject to all of the provisions of the French Banking Law. One of its main activities is to provide funding for capital expenditure to government and public sector entities.

Dexia Crédit Local is part of the Dexia group of companies (the “**Dexia Group**”).

Dexia Crédit Local specialises in public and project finance and financial services for local governments. During the first half of 2010, the Dexia Crédit Local Group raised €35.2 billion on the long-term markets achieved through issuance of state-guaranteed debt and covered bonds.

At 30 June 2010, Dexia Crédit Local had consolidated assets of €382 billion (compared to €368 billion at 30 June 2009), consolidated customer deposits of €15.7 billion (compared to €16.5 billion at 30 June 2009) and shareholders’ equity of € - 1.2 billion (compared to € - 394 million at 30 June 2009). Net income before taxes for the first half of 2010 was € - 280 million (compared to €508 million for the first half of 2009). Net income for the first half of 2010 was € - 190 million (compared to €304 million for the first half of 2009).

Risk Factors

There are certain factors that may affect the Issuer’s ability to fulfil its obligations under Notes issued under the Programme. These are set out under “Risk Factors” below and include the following risk factors related to the Issuer and its industry:

- (i) operational risk;
- (ii) business conditions and the general economy;
- (iii) current market volatility and recent market developments;
- (iv) soundness of other financial institutions;
- (v) increased regulation;
- (vi) credit market exposures; and
- (vii) assets originated for resale or securitisation.

The Risk Factors also include the following which relate to the Banking Industry:

- (i) credit risk;
- (ii) capital adequacy;
- (iii) market risk;
- (iv) structural risks — interest rates, exchange rates and liquidity; and
- (v) risk management.

There are also certain factors which are material for the purpose of assessing the risks associated with Notes issued under the Programme. These are set out under "Risk Factors" below and include the following:

- (i) the trading market for debt securities may be volatile and may be adversely impacted by many events;
- (ii) an active trading market for the Notes may not develop;
- (iii) the Notes may be redeemed prior to maturity;
- (iv) a Noteholder's actual yield on the Notes may be reduced from the stated yield by transaction costs;
- (v) a Noteholder's effective yield on the Notes may be diminished by the tax impact on that Noteholder of its investment in the Notes;
- (vi) fixed Rate Notes may change in value due to changes in interest rates;
- (vii) investors will not be able to calculate in advance their rate of return on Floating Rate Notes;
- (viii) zero coupon notes are subject to higher price fluctuations than non-discounted notes;
- (ix) foreign currency notes expose investors to foreign-exchange risk;
- (x) holders of Subordinated Notes risk receiving payments on any outstanding Subordinated Notes only after senior Noteholders and other senior creditors have been repaid in full, if and to the extent that there is still cash available for those payments;
- (xi) investments in Index Linked Notes entail significant risks and may not be appropriate for investors lacking financial expertise;
- (xii) taxation;
- (xiii) EU directive on the taxation of savings income;
and
- (xiv) Minimum Denominations.

Please see "Risk Factors" below for further details.

Programme Limit

Up to €40,000,000,000 (or its equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.

Currencies

Notes may be denominated in any currency or currencies agreed between the Issuer and the relevant Dealer(s), subject to compliance with all applicable legal and/or regulatory restrictions.

Maturities

Subject to compliance with all relevant laws, regulations and

directives, any maturity from one month from the date of original issue. In the case of Extendible Notes, the Noteholder's option may provide that the Maturity Date in respect of the Notes will be automatically extended unless a Noteholder exercises its Non-Extension Option in respect of any Note held by such Noteholder within the relevant Exercise Period.

Notes having a maturity of less than one year: for the sake of clarity, according to the Luxembourg Act relating to prospectuses for securities, the CSSF is not competent to approve prospectuses for the listing of money market instruments having a maturity at issue of less than 12 months and also complying with the definition of securities in that Act.

Form of Notes

The Notes may be issued in bearer form only ("Bearer Notes"), in bearer form exchangeable for Registered Notes ("Exchangeable Bearer Notes") or in registered form only ("Registered Notes"). Each Tranche of Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes are being issued in compliance with the D Rules (as defined in "Summary of the Programme — Selling Restrictions"), otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as "Global Certificates".

The relevant Final Terms will specify whether Notes are issued as Bearer Notes, Exchangeable Bearer Notes or Registered Notes.

Denominations of Notes

Notes will be issued in such denominations as may be specified in the applicable Final Terms, save that:

- (i) (as this Base Prospectus has not been approved by the relevant competent authority of the Issuer's country of incorporation for the purposes of the Prospectus Directive), in the case of any Notes admitted to trading on a regulated market within the European Economic Area or offered to the public within the territory in an EEA State, in each case in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum Specified Denomination shall be €1,000 (or its equivalent in any other currency as at the date of issue of those Notes); and

- (ii) the minimum Specified Denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

Interest

Notes may be interest-bearing or non-interest-bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or be index linked and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.

Redemption

The Final Terms will specify the basis for calculating the redemption amount and, if applicable, the conditions under which the Notes may be redeemed prior to maturity at the option of the Issuer or the Noteholders or automatically.

Taxation

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

If the Issuer is required to make a withholding or deduction with respect to any French taxes, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holders of Notes, after deduction of such withholding, receive the full amount provided in such Notes to be then due and payable except that no additional amounts shall be payable in certain circumstances more fully described in Condition 8 of the "Terms and Conditions of the Notes".

If the Issuer is required to make a withholding or deduction with respect to any French taxes and as a result is required to pay additional amounts to Noteholders it may, in certain circumstances more fully described in Condition 8 of the "Terms and Conditions of the Notes", redeem all (but not some only) of the outstanding Notes.

Each prospective investor should carefully review the "Taxation" section of this Base Prospectus.

Consolidation

Notes of one Series may be consolidated with Notes of another Series, as described in "Terms and Conditions of the Notes — Further Issues and Consolidation".

Status of the Notes

The obligations of the Issuer under the Notes will be unsecured and may be unsubordinated ("Unsubordinated Notes") or subordinated ("Subordinated Notes"). Subordinated Notes may be dated or undated, may be

ordinary Subordinated Notes (“Ordinary Subordinated Notes”) or deeply Subordinated Notes (“Deeply Subordinated Notes”), and their proceeds may or may not constitute regulatory capital under applicable banking regulations.

Negative Pledge

The terms of the Unsubordinated Notes will contain a negative pledge provision as described under Condition 4 of the “Terms and Conditions of the Notes”.

Cross-Default

There will be a cross-default provision applicable to the Unsubordinated Notes as set out in Condition 10(a)(iii) of the “Terms and Conditions of the Notes”.

Ratings

Tranches of Notes to be issued under the Programme may be rated or unrated. Details of the rating, if any, attributable to an issue of Notes will be set out in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Listing and Admission to Trading

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to the Official List and to be admitted to trading on the Regulated Market or as otherwise specified in the relevant Final Terms and references to listing shall be construed accordingly. As specified in the relevant Final Terms, a Series of Notes may be unlisted.

Governing Law

English law, other than the provisions of Condition 3(b) relating to Subordinated Notes, which, if applicable, will be governed by, and construed in accordance with, the laws of France.

Jurisdiction

High Court of Justice in England, unless it is specified in the relevant Final Terms that the Federal and state courts in the Borough of Manhattan in the City of New York are to have jurisdiction.

Transfer Restrictions

There are restrictions on the transfer of Notes under the Securities Act. See “Transfer Restrictions” and “Plan of Distribution”.

Selling Restrictions

There are restrictions on the sale of Notes and the distribution of this Base Prospectus in various jurisdictions, including the United States, the European Economic Area and certain of its Member States and Japan. See “Plan of Distribution”. In connection with the offering and sale of a particular Tranche, additional selling restrictions may be imposed which will be set out in the relevant Final Terms.

Method of Publication of Final Terms

The Final Terms related to Notes admitted to trading will be published, if relevant, on the website of the Luxembourg Stock Exchange (“www.bourse.lu”) or, if required by any applicable regulation, on the website of the Regulated Market where the admission to trading is sought, and copies may be obtained from Dexia Crédit Local, Tour Dexia, La Défense 2, 1, Passerelle des Reflets, TSA 92202 — 92919 La Défense Cedex, France or through any other means in accordance with the terms of Article 14 of the Prospectus Directive. The Final Terms will indicate where the Base Prospectus may be obtained.

Use of Proceeds

The net proceeds of the issue of the Notes under the Programme will be used to finance the normal lending activities of the Issuer. In relation to Subordinated Notes, the use of proceeds will be as set out in the relevant Final Terms.

RISK FACTORS

Prospective purchasers of the Notes offered hereby should consider carefully, in light of their financial circumstances and investment objectives, all of the information in this Base Prospectus and, in particular, the risk factors set forth below in making an investment decision.

Factors Relating to the Issuer and its Operations

Current market volatility and global financial market developments could have a material adverse effect on Dexia Crédit Local's business, financial condition and results of operations.

Since September 2007, the global financial system has been experiencing difficult credit and liquidity conditions and disruptions resulting in reduced liquidity, greater volatility and widening of credit spreads (the amount in excess of the interest rate of government securities of the same maturity that is paid to debt investors). In September 2008, global financial markets deteriorated sharply following the bankruptcy filing by Lehman Brothers Holding, Inc. In the months that followed, it became apparent that a number of other major financial institutions, including some of the largest global commercial banks, investment banks, mortgage lenders, mortgage guarantors and insurance companies, were experiencing significant funding and capitalization difficulties. The resulting lack of credit, lack of confidence in the financial sector, increased volatility in the financial markets and reduced business activity has adversely affected Dexia Crédit Local's business, financial condition and results of operations. In particular, Dexia Crédit Local has historically relied to a significant extent on the interbank and wholesale funding markets in order to fund its operations. Its significant exposure to the US market, principally through its former US credit enhancement subsidiary Financial Security Assurance Inc. (FSA), coupled with the contraction of the interbank and wholesale funding markets, led to an intense liquidity crisis for Dexia Crédit Local. In order to re-establish the Dexia Group's liquidity, the States of Belgium, France and Luxembourg recapitalized Dexia in an amount of EUR 6.0 billion on September 30, 2008. In addition, with effect from October 9, 2008, the French, Belgian and Luxembourg governments provided temporary guarantees up to an aggregate maximum of EUR 150 billion for certain short- and medium-term debt issuances and interbank deposits to facilitate the Dexia Group's access to sources of liquidity in the period ranging up to 31 October 2009. The possibility to make use of this guarantee, up to a revised maximum amount of EUR 100 billion, was further extended for a period ranging from 1 November 2009 to 31 October 2010.

These guarantees were actually in effect for debt issuances by the Dexia Group up to 30 June 2010, at which date the Dexia Group announced it would no longer avail itself of the guarantee for its funding. Inter-bank deposits funding with the benefit of the guarantee was stopped as of October 16, 2009 in the case of maturities of one month and less, and as of March 1, 2010, in the case of maturities of more than one month.

As at 15 December 2010 outstanding guaranteed nominal amounts stood at EUR 44.4 billion. Effective use of the guarantees peaked in May 2009 at EUR 95 billion. Outstanding guaranteed medium term debt continues to carry the guarantee until redemption and the last guaranteed medium term notes expire in May 2014.

As part of the recapitalization, the Dexia Group implemented a restructuring plan, which among other actions, led to the reorganization or termination certain of Dexia Crédit Local's activities, including the sale of FSA and a reduction in the scale of its public finance business and stabilization of the Group's access to liquidity.

Continued or worsening disruption of credit availability, lack of confidence in the financial sector, increased volatility and lack of liquidity in the global financial markets and reduced business activity could have a material adverse effect on the ability of Dexia Crédit Local to access capital and liquidity on

financial terms acceptable to it, or at all. These conditions could materially and adversely affect Dexia Crédit Local's or Dexia Group's business, financial condition and results of operations, which could in turn affect each Issuer's ability to meet its payment obligations under the Notes.

Risks Relating to increased funding costs

The results of operations and financial condition of Dexia Crédit Local may be adversely affected by an increase in its funding costs.

Dexia Crédit Local's results of operations are closely linked to its ability to raise funds efficiently and at relatively low cost in order to fund its core activities of municipal lending and public project finance. These lending activities have historically generated lower interest margins than other commercial banking activities in its core markets of France, Spain, Portugal and Italy. Its cost of funding is driven primarily by conditions in the international financial markets, its rating, ability to issue covered bonds (which benefit from higher ratings and therefore lower spreads), and competition in the markets in which it operates. A material increase in Dexia Crédit Local's wholesale funding costs may have a material adverse effect on its business, results of operations, financial condition and prospects.

Dexia Crédit Local may not be able to downsize its share in the Dexia Group Legacy Assets portfolio efficiently

Further to the crisis encountered in September 2008 the Dexia Group has drafted a business plan entailing a sharp refocusing of its public sector activities, targeting primarily assets held by Dexia Crédit Local. This business plan was validated in February 2010 by the European Commission which requested further divestments.

In order to implement its divestment strategy the Dexia Group has set up a new Portfolio Management Group business line integrated in a newly-created Legacy Division. This portfolio – comprising in particular the Credit Spread Portfolio (CSP), Public Sector Portfolio (PSP) and Credit Structuring and Trading (CST) all of which were previously managed by Dexia Crédit Local and which assets still remain on its balance sheet. The managers of this portfolio have been charged with downsizing it to help deleverage the balance sheet, reduce the risk profile and ease liquidity pressures of Dexia Crédit Local and by extension, of the Dexia Group.

Following the sale of FSA to Assured Guaranty on 1 July 2009, Dexia Crédit Local retained an exposure on a portfolio of assets with an initial value of USD 17 billion (the Financial Products Portfolio) that were placed in run-off management, also consolidated under the newly-created Legacy Division and which include structured finance assets as well as asset-backed securities linked to the US mortgage market, such as US residential mortgage-backed securities

A specific guarantee distinct from the Dexia Guarantee (the Financial Products Guarantee) has been provided to Dexia Crédit Local by the Belgian and French States to cover losses over and above US 4.5 billion on this portfolio. In this respect Dexia Crédit Local has set aside provisions which it deems sufficient to cover expected losses on this first loss tranche.

Additionally, a share of this portfolio, amounting initially to USD 4.5 billion in high grade credit assets has been excluded from the scope of the Financial Products Portfolio Guarantee and is therefore also exposed to market deterioration.

Thus additional losses cannot be ruled out from Financial Products Portfolio as a consequence of further deterioration in the US market.

Management of these portfolios and their winding down may include the sale of assets affected by the crisis to the extent market conditions permit. Dexia Crédit Local may find itself unable to wind down these activities as quickly or efficiently as it expects, either because there are no buyers willing to pay a reasonable price for the relevant assets or activities, or because there is no liquid market for the relevant

assets, or because the ongoing obligations of Dexia Crédit Local make a sale or wind-down impracticable. If Dexia Crédit Local is unable to wind-down these businesses as planned, it will not achieve (or will only partially achieve) its objective of reducing its exposure to market volatility and diversifying its revenue and income base. This could have a material adverse effect on the results of operations and financial condition of the Dexia Crédit Local Group.

As of 30 June 2010, after taking into account various sales under the asset disposal program and natural amortization, Dexia Crédit Local's consolidated portfolio managed by PMG totalled EUR 141 billion (of which EUR 11.9 from Financial Products).

General economic conditions in the markets in which it operates may have an adverse impact on Dexia Crédit Local's profitability

Like all financial institutions, Dexia Crédit Local's profitability could be adversely affected by a worsening of general economic conditions domestically, globally or in certain individual markets such as France, Spain, Portugal and Italy. Factors such as interest rates, inflation, investor sentiment, the availability and cost of credit, the liquidity of the global financial markets and the level and volatility of equity prices could significantly affect the activity level and creditworthiness of Dexia Crédit Local's customers. This includes the following:

Dexia Crédit Local's primary activity is lending to local governments and municipalities. As a result, the state of the local economy significantly affects Dexia Crédit Local's financial performance. Consequently, an economic slowdown, a deterioration of economic or political conditions, or other adverse changes affecting the local economy or the economies of other countries in which Dexia Crédit Local operates, could result in, among other things, higher rates of credit defaults on loans or declines in new borrowing, which could adversely impact Dexia Crédit Local's business, financial condition, cash flows and results of operations;

An economic downturn or significantly higher interest rates could adversely affect the credit quality of Dexia Crédit Local's on-balance sheet and off-balance sheet assets by increasing the risk that a greater number of Dexia Crédit Local's customers would be unable to meet their obligations;

A continued market downturn or further worsening of the economy could cause Dexia Crédit Local to incur mark-to-market losses in its trading portfolios; and

A continued market downturn would be likely to lead to a decline in the volume of transactions that Dexia Crédit Local executes for its customers and would, therefore, lead to a decline in the income it receives from fees and commissions and interest.

All of the above could in turn potentially affect the relevant Issuer's ability to meet its payment obligations under the Notes.

Significant interest rate changes could adversely affect Dexia Crédit Local's net banking income and profitability

The amount of net interest income earned by Dexia Crédit Local during any given period significantly affects its overall net banking income and profitability for that period. In addition, significant changes in credit spreads can have a significant impact on the results of operations of Dexia Crédit Local. The period since September 2007 has been one of volatile interbank lending rates. Following the collapse of Lehman Brothers, central banks have sharply decreased interest rates. There can be no guarantee that further events will not alter the interest rate environment again.

Interest rates are highly sensitive to many factors beyond Dexia Crédit Local's control, including monetary policies and domestic and international economic and political conditions. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities. This difference could reduce Dexia Crédit Local's net

interest income and net interest margins. In addition, increases in the interest rates at which funding is available and maturity mismatches may adversely affect the profitability of Dexia Crédit Local. Increasing or high interest rates and/or widening credit spreads may also reduce the demand for loans and Dexia Crédit Local's ability to originate loans. These changes may have an adverse effect on Dexia Crédit Local's financial condition and results of operations.

Dexia Crédit Local could incur significant losses on its trading and investment activities due to market fluctuations and volatility

Dexia Crédit Local maintains trading and investment positions in debt, equity and other markets. These positions could be adversely affected by volatility in financial and other markets, creating a risk of substantial losses. Such volatility could also lead to losses relating to a broad range of other trading and hedging products that Dexia Crédit Local uses, including swaps, futures, options and structured products.

Dexia Crédit Local's or Dexia Group's future earnings could be adversely affected by depressed asset valuations resulting from deterioration in market conditions. Financial markets periodically experience stress conditions characterized by steep falls in asset values, as demonstrated by recent events affecting asset-backed collateralized debt obligations and the US sub-prime residential mortgage market. Severe market events are difficult to predict and, if they continue to occur, could result in Dexia Crédit Local incurring additional losses.

As market conditions change, the fair value of Dexia Crédit Local's or Dexia Group's exposures to counterparties could fall further and result in additional losses or impairment charges, which could have a material adverse effect on Dexia Crédit Local's or Dexia Group's earnings. Such losses or impairment charges could derive from: a decline in the value of exposures; a decline in the ability of counterparties, including monoline insurers, to meet their obligations as they come due; or the ineffectiveness of hedging and other risk management strategies in circumstances of severe stress.

Any value ultimately realised by Dexia Crédit Local on sale of an asset will depend on the prices achievable in the market following the decision to sell which may be higher or lower than the asset's current estimated value. If there is a shortfall between the proceeds obtained on disposal and the carrying value of the asset on the balance sheet there could be an adverse effect on Dexia Crédit Local's or Dexia's Group's earnings, which could in turn affect the applicable Issuer's ability to meet its payment obligations under the Notes.

Dexia Crédit Local's hedging may not prevent losses

If any of the variety of instruments and strategies that Dexia Crédit Local uses to hedge its exposure to various types of risk in its businesses is not effective, it may incur losses. Many of Dexia Crédit Local's strategies are based on historical trading patterns and correlations. Unexpected market developments therefore may adversely affect the effectiveness of its hedging strategies. Moreover, Dexia Crédit Local does not hedge all of its risk exposure in all market environments or against all types of risk. In addition, the methodology by which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in Dexia Crédit Local's reported earnings. Any of the foregoing factors may have a material adverse effect on Dexia Crédit Local's business, financial condition and results of operations.

Dexia Crédit Local's wholesale borrowing costs and its access to the debt capital markets depend significantly on its credit ratings

Credit ratings are important to the liquidity and profitability of Dexia Crédit Local. Any downgrading may limit its access to the debt capital markets, thereby adversely affecting its liquidity and competitive position, and may trigger additional collateral requirements in derivative contracts and other secured-funding arrangements. Any downgrading in the long-term credit ratings of Dexia Crédit Local or Dexia

could also increase Dexia Crédit Local's wholesale borrowing costs. Dexia Crédit Local's cost of obtaining long-term unsecured funding is directly related to its credit spreads, which in turn depend in large part on its credit ratings. Increases in credit spreads could significantly increase Dexia Crédit Local's cost of funding. Changes in credit spreads are continuous, market-driven, and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of creditworthiness. In addition, credit spreads may be influenced by movements in the cost to purchasers of credit default swaps referenced to Dexia Crédit Local's debt obligations, which is influenced both by the credit quality of those obligations, and by a number of market factors that are beyond the control of Dexia Crédit Local.

Dexia Crédit Local's credit rating is closely tied to that of its parent, Dexia. A downgrade in Dexia's credit ratings would have an adverse impact on the credit rating of Dexia Crédit Local, which could in turn have the adverse effects on Dexia Crédit Local summarized above.

A substantial increase in new provisions or losses greater than the level of previously recorded provisions could adversely affect Dexia Crédit Local's results of operations and financial condition

In connection with its lending activities, Dexia Crédit Local periodically establishes provisions for loan losses, which are recorded in its income statement under cost of risk. Its overall level of provisions is based upon assessment of prior loss experience, the volume and type of lending being conducted, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans. Although Dexia Crédit Local endeavors to establish an appropriate level of provisions, its lending businesses may have to increase their provisions for loan losses in the future as a result of increases in non-performing assets, deteriorating economic conditions leading to increases in defaults and bankruptcies, or for other reasons. Any significant increase in provisions for loan losses or a significant change in Dexia Crédit Local's estimate of the risk of loss inherent in its portfolio of non-impaired loans, as well as the occurrence of loan losses in excess of the provisions allocated with respect thereto, could have an adverse effect on Dexia Crédit Local's results of operations and financial condition.

Increasing competition could adversely affect Dexia Crédit Local's net banking income and profitability

The French market for public finance and financial services to local governments and municipalities, the Dexia Crédit Local's principal activities, is becoming increasingly competitive. In addition, as part of its deleveraging plan implemented in 2008, Dexia Crédit Local decided to slow its rate of loan growth. As a result, it has ceded some market share to its competitors. Historically Dexia Crédit Local dominated the French market for lending to public sector entities and was credited with a market share ranging from 35 to 40%. Taking into consideration the slower rate of future asset origination it is expected its market share will be adjusted to 15 to 20% of the market in direct lending to public sector entities. However, its current stock of loans to the French public sector accumulated over the years still positions Dexia Crédit Local as the major interlocutor of public sector entities in managing their outstanding debt.

Dexia Crédit Local primarily competes with other domestic banks. In the future, Dexia Crédit Local expects increased competition in all areas of its business. If Dexia Crédit Local is unable to continue to compete successfully in the French local government and public finance market, it may lose market share in important areas of its business or incur losses on some or all of its activities. In addition, downturns in the economies of the Group's major markets could add to the competitive pressure as commercial banks look to new sectors into which to expand their business, including the public finance sector. Increased competition could lead to increased price pressure and lower business volumes for the Group, which could have a material adverse effect on Dexia Crédit Local's business and results of operations.

Future market conditions may be different from those reflected in the management assumptions and estimates used in the preparation of Dexia Crédit Local's financial statements, which may cause unexpected losses in the future

Pursuant to the International Financial Reporting Standards (“IFRS”) rules and interpretations in effect as of the present date, Dexia Crédit Local is required to use certain estimates in preparing its financial statements, including accounting estimates to determine loan loss reserves, reserves related to future litigation, and the fair value of certain assets and liabilities, among other items. Should the estimated values for such items prove to have been substantially inaccurate, particularly because of significant and unexpected market movements, or if the methods by which such values were determined are revised in future IFRS rules or interpretations, Dexia Crédit Local may experience unexpected losses in future financial periods, which could have an adverse effect on the market price of the Notes.

The profitability and business prospects of Dexia Crédit Local could be adversely affected by reputational and legal risk

Various issues may give rise to reputational risk and cause harm to Dexia Crédit Local and its business prospects. These issues include inappropriately dealing with potential conflicts of interest, legal and regulatory requirements, competition issues, and sales and trading practices (including practices relating to disclosures to customers). Failure to address these issues appropriately could also give rise to additional legal risk, which could increase the number of litigation claims and the amount of damages asserted against Group entities, or subject Group entities to regulatory sanctions.

The ability of Dexia Crédit Local to attract and retain qualified employees is critical to the success of its business and failure to do so may materially affect its performance

Dexia Crédit Local's employees are one of its most important resources. In many areas of the financial services industry, competition for qualified personnel is intense. The results of Dexia Crédit Local depend on its ability to attract new employees and to retain and motivate its existing employees. Changes in its business environment may cause Dexia Crédit Local to move employees from one business to another or to reduce the number of employees in certain of its businesses. This may cause temporary disruptions as employees adapt to new roles and may reduce Dexia Crédit Local's ability to take advantage of improvements in the business environment. This may impact Dexia Crédit Local's ability to take advantage of business opportunities or potential efficiencies.

Operational Risk

Operational risk is defined as the risk of loss arising from the inadequacy or failure of procedures, individuals or internal systems, or even external events (such as, but not limited to, natural disasters and fires). It includes risk relating to the security of information systems, litigation risk and reputation risk.

Unforeseen events like severe natural catastrophes, terrorist attacks or other states of emergency can lead to an abrupt interruption of the Issuer's operations, which can cause substantial losses. Such losses can relate to property, financial assets, trading positions and to key employees. Such unforeseen events can also lead to additional costs (such as relocation of employees affected) and increase the Issuer's costs (such as insurance premiums). Such events may also make insurance coverage for certain risks unavailable and thus increase the Issuer's risk.

As with most other banks, the Issuer relies heavily on communications and information systems to conduct its business. Any failure, interruption or breach in security of these systems could result in failures or interruptions in the Issuer's customer relationship management, general ledger, deposit, servicing and/or loan organisation systems. The Issuer cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. The occurrence of any failures or interruptions could have a material adverse effect on the Issuer's financial condition and results of operations.

It may not be possible to serve process on, or enforce judgments against, the Issuer in the United States

The Issuer is a limited company organised under the laws of the Republic of France. All of the directors and executive officers of the Issuer, except one, are resident outside of the United States, and all or a substantial portion of the assets of the Issuer and such persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any State or territory within the United States.

Soundness of other Financial Institutions – counterparty risks

The Issuer is exposed to many different counterparties in the normal course of its business; hence its exposure to counterparties in the financial services industry is significant. This exposure can arise through trading, lending, deposit-taking, clearance and settlement and numerous other activities and relationships. These counterparties include institutional clients, brokers and dealers, commercial banks, investment banks and mutuals. Many of these relationships expose the Issuer to credit risk in the event of default of a counterparty or client. In addition, the Issuer's or Dexia Group's credit risk may be exacerbated when the collateral it holds cannot be realised at, or is liquidated at prices not sufficient to recover, the full amount of the loan or derivative exposure it is due to cover, which could in turn affect the Issuer's ability to meet its payments under the Notes. Many of the hedging and other risk management strategies utilised by the Issuer also involve transactions with financial services counterparties. The weakness or insolvency of these counterparties may impair the effectiveness of the Issuer's or Dexia Group's hedging and other risk management strategies, which could in turn affect the Issuer's ability to meet its payments under the Notes.

Increased Regulation

Recent developments in the global markets have led to an increase in the involvement of various governmental and regulatory authorities in the financial sector and in the operations of financial institutions. In particular, governmental and regulatory authorities in France, the UK, the United States, Belgium, Luxembourg and elsewhere have provided additional capital and funding and already or may in the future be introducing a significantly more restrictive regulatory environment including new accounting and capital adequacy rules, restriction on termination payments for key personnel in addition to new regulation of derivative instruments. It is uncertain how the more rigorous regulatory climate will impact financial institutions including the Issuer and Dexia Group but an adverse impact on their respective businesses cannot be excluded, which could in turn affect the Issuer's ability to meet its payments under the Notes.

Credit Market Exposures

The Issuer's or Dexia Group's future earnings could be adversely affected by depressed asset valuations resulting from deterioration in market conditions. Financial markets are sometimes subject to stress conditions where steep falls in asset values can occur, as demonstrated by recent events affecting asset-backed CDOs and the US sub-prime residential mortgage market. Severe market events are difficult to predict and, if they continue to occur, could result in the Issuer incurring additional losses.

As market conditions change, the fair value of the Issuer's or Dexia Group's exposures to counterparties could fall further and result in additional losses or impairment charges, which could have a material adverse effect on the Issuer's or Dexia Group's earnings. Such losses or impairment charges could derive from: a decline in the value of exposures; a decline in the ability of counterparties, including monoline insurers, to meet their obligations as they fall due; or the ineffectiveness of hedging and other risk management strategies in circumstances of severe stress. Any value ultimately realised by the Issuer on sale of an asset will depend on the prices achievable in the market following the decision to sell

which may be higher or lower than the asset's current estimated value. If there is a shortfall between the proceeds obtained on disposal and the carrying value of the asset on the balance sheet there would be an adverse effect on the Issuer's or Dexia's Group's earnings, which could in turn affect the Issuer's ability to meet its payments under the Notes.

Assets Originated for Resale or Securitisation

In illiquid markets, the Issuer may decide to hold assets rather than securitising, syndicating or disposing of them. This could restrict the Issuer's or Dexia Group's ability to enter into subsequent lending or other transactions as a result of the effect on capital adequacy ratios, which could have an adverse effect on the Issuer's or Dexia Group's ability to expand its earnings and operations, which could in turn affect the Issuer's ability to meet its payments under the Notes.

Factors Relating to the Banking Industry

Credit Risk

As a credit institution, the Issuer is exposed to the creditworthiness of its customers and counterparties. The Issuer may suffer losses related to the inability of its customers or other counterparties to meet their financial obligations. Most of the commitment decisions concern customers in the local government sector, which is low risk and is also subject to specific controls relating to its public nature.

The Issuer cannot assume that its level of provisions will be adequate or that it will not have to make significant additional provisions for possible bad and doubtful debts in future periods.

Capital Adequacy

On 18 December 2007, the Banking, Finance and Insurance Commission, as the supervisory authority for the Dexia Group on a consolidated basis approved the use of a method based on advanced internal ratings (AIRBA – Advanced Internal Rating Based Approach) for the calculation of capital requirement for credit risk within the context of Pillar 1 of Basel II.

Each rating assigned to a counterparty corresponds to an assessment of the risk level of the counterparty (probability of default) expressed through an internal rating scale. In addition to this, each counterparty is provided either with a loss given default which represents an estimation of the losses in case of default or with a credit conversion factor for off balance sheet commitments.

Without exception duly justified, the rating assigned to a counterparty takes into account the risk of the country in which the counterparty is established.

Market risk

Market risk is the risk of loss relating to fluctuations in market prices and interest rates, exchange rates, share prices and others, their interactions and their level of volatility. See above section "*Dexia Crédit Local may not be able to downsize its share in the Dexia Group Legacy Assets portfolio efficiently*"

Structural Risks – Interest Rates, Exchange Rates and Liquidity

Structural risks are grouped together and designated as ALM ("assets and liabilities management") risks. The various components making up the assets (such as, but not limited to, loans and other financial assets), liabilities (such as, but not limited to, bonds), and off-balance sheet items (such as, but not limited to, derivatives) of Dexia Crédit Local do not have the same characteristics in terms of interest rates, currencies, depreciation and amortisation and maturity. Structurally, some or all of the future maturities represent residual surpluses or deficits. These differences constitute interest rate or exchange rate positions that generate market risk. They also constitute an imbalance between future sources and applications of funds by generating a liquidity risk. The liquidity risk is managed at the Dexia Group level even though the liquidity positions remain at the level of the entities where they are created. The existing ratios and the definition of a new set of guidelines have contributed to better surveillance of the liquidity

risk. This risk which was managed mainly through the diversification of funding sources was under stress during the crisis which arose following the bankruptcy of Lehman Brothers.

Risk Management

Monitoring of the risks relating to the Issuer and its operations and the banking industry is performed jointly by the appropriate committees and the Risk Management department, with the help of tools that it develops, in compliance with the guidelines established by the Dexia Group and all legal constraints and rules of prudence. As regards the supervision of risks in the subsidiaries and branches, each entity has its own local risk management structure. These structures are strictly independent of the front-offices and report to the Dexia Crédit Local Risk Management department either directly (branches) or functionally (subsidiaries).

Factors Relating to the Notes

The trading market for debt securities may be volatile and may be adversely impacted by many events.

The market for debt securities issued by banks is influenced by economic and market conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in France, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of Notes or that economic and market conditions will not have any other adverse effect.

An active trading market for the Notes may not develop.

There can be no assurance that an active trading market for the Notes will develop, or, if one does develop, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, the market or trading price and liquidity of the Notes may be adversely affected. If additional and competing products are introduced in the markets, this may adversely affect the value of the Notes.

Any early redemption at the option of the Issuer, if provided for in any Final Terms for a particular issue of Notes, could cause the yield anticipated by Noteholders to be considerably less than anticipated.

In the event that the Issuer would be obliged to pay additional amounts in respect of any Notes due to any withholding as provided in Condition 8 of the "Terms and Conditions of the Notes", the Issuer may and, in certain circumstances, shall (subject, in the case of Subordinated Notes, to the prior written consent of the *Secrétariat général de l'Autorité de Contrôle Prudentiel* in France) redeem all of the Notes then outstanding in accordance with the "Terms and Conditions of the Notes".

The Final Terms for a particular issue of Notes may provide for early redemption at the option of the Issuer. Such right of termination is often provided for bonds or notes in periods of high interest rates. If the market interest rates decrease, the risk to Noteholders that the Issuer will exercise its right of termination increases. As a consequence, the yields received upon redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholder. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.

A Noteholder's actual yield on the Notes may be reduced from the stated yield by transaction costs.

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Notes. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro rata commissions depending on the order value. To the extent that additional — domestic or foreign — parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Noteholders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of securities (direct costs), Noteholders must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

A Noteholder's effective yield on the Notes may be diminished by the tax impact on that Noteholder of its investment in the Notes.

Payments of interest on the Notes, or profits realised by the Noteholder upon the sale or repayment of the Notes, may be subject to taxation in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. The tax impact on Noteholders generally in Belgium, France, Luxembourg and the United Kingdom is described under "Taxation" below; however, the tax impact on an individual Noteholder may differ from the situation described for Noteholders generally. The Issuer advises all investors to contact their own tax advisers for advice on the tax impact of an investment in the Notes.

The Maturity Date of Notes may be automatically extended

In the case of Extendible Notes, unless a Noteholder exercises its Non-Extension Option within the relevant *Exercise Period* (as defined in Part 21(iv)(g) of the Final Terms) in accordance with the Conditions (in which case the Maturity Date of such Notes shall not be extended on any Automatic Extension Date as provided in the relevant Final Terms), on each Automatic Extension Date during the Automatic Extension Period as provided in the relevant Final Terms, the Maturity Date of each Note shall be extended automatically for the Automatic Extension Duration as provided in the relevant Final Terms. Any Notes in respect of which the Maturity Date has not been so extended will be attributed a separate ISIN number and common code and, in the case of Notes in definitive form, such Notes (together with, in the case of Bearer Notes, any related Receipts, Coupons and Talons) require to be delivered to the Fiscal Agent or, in the case of Registered Notes, the Registrar or such other agent so specified for such purpose for appropriate annotation and (in the case of Bearer Notes) cancellation of all unmatured Receipts and Coupons falling due after the Maturity Date for such Notes and unexchanged Talons. If the Notes are still held in global form, the relevant Global Note or Global Certificate will be annotated in order to reduce the aggregate nominal amount of such Notes and a new Global Note or Global Certificate representing such Notes will be issued in respect thereof and the Noteholder will, unless otherwise specified in the applicable Final Terms, be required to arrange for such Notes to be "blocked" in the relevant participant's account with such clearing system through which such Notes are held until the relevant Automatic Extension Date.

Change in value of Fixed Rate Notes

Investors in Fixed Rate Notes are exposed to the risk that subsequent changes in interest rates may adversely affect the value of the Notes.

Investors will not be able to calculate in advance their rate of return on Floating Rate Notes.

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment

cannot be compared with that of investments having longer fixed interest periods. If the terms and conditions of the Notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Zero coupon notes are subject to higher price fluctuations than non-discounted notes.

Changes in market interest rates have a substantially stronger impact on the prices of zero coupon notes than on the prices of ordinary notes because the discounted issue prices are substantially below par. If market interest rates increase, zero coupon notes can suffer higher price losses than other notes having the same maturity and credit rating. Due to their leverage effect, zero coupon notes are a type of investment associated with a particularly high price risk.

Foreign currency notes expose investors to foreign-exchange risk.

As purchasers of foreign currency notes, investors are exposed to the risk of changing foreign exchange rates. This risk is in addition to any performance risk that relates to the Issuer or the type of note being issued.

Holders of Subordinated Notes face a significantly increased risk that the Notes will not perform as anticipated.

In the event of any insolvency or liquidation of the Issuer, holders of Subordinated Notes would receive payments on any outstanding Subordinated Notes only after senior Noteholders and other senior creditors have been repaid in full, if and to the extent that there is still cash available for those payments. Thus, holders of Subordinated Notes generally face a higher performance risk than holders of senior Notes.

Investments in Index Linked Notes entail significant risks and may not be appropriate for investors lacking financial expertise.

An investment in Index Linked Notes entails significant risks that are not associated with similar investments in a conventional fixed or floating rate debt security. The Issuer believes that Index Linked Notes should only be purchased by investors who are, or who are purchasing under the guidance of, financial institutions or other professional investors that are in a position to understand the special risks that an investment in these instruments involves. These risks include, among other things, the possibility that:

- such index or indices may be subject to significant changes, whether due to the composition of the index itself, or because of fluctuations in value of the indexed assets;
- the resulting interest rate will be less (or may be more) than that payable on a conventional debt security issued by the Issuer at the same time;
- the repayment of principal can occur at times other those that expected by the investor;
- the holder of an Index Linked Note could lose all or a substantial portion of the principal of such Note (whether payable at maturity or upon redemption or repayment), and, if the principal is lost, interest may cease to be payable on the Index Linked Note;
- the risks of investing in an Index Linked Note encompass both risks relating to the underlying indexed securities and risks that are unique to the Note itself;
- any Index Linked Note that is indexed to more than one type of underlying asset, or on formulae that encompass the risks associated with more than one type of asset, may carry levels of risk that are greater than Notes that are indexed to one type of asset only;

- it may not be possible for investors to hedge their exposure to these various risks relating to Index Linked Notes; and
- a significant market disruption could mean that the index on which the Index Linked Notes are based ceases to exist.

In addition, the value of Index Linked Notes on the secondary market is subject to greater levels of risk than is the value of other Notes. The secondary market, if any, for Index Linked Notes will be affected by a number of factors, independent of the creditworthiness of the Issuer and the value of the applicable currency, stock, interest rate or other index, including the volatility of the applicable currency, stock, interest rate or other index, the time remaining to the maturity of such Notes, the amount outstanding of such Notes and market interest rates. The value of the applicable currency, stock, interest rate or other index depends on a number of interrelated factors, including economic, financial and political events, over which the Issuer has no control. Additionally, if the formula used to determine the amount of principal, premium and/or interest payable with respect to Index Linked Notes contains a multiplier or leverage factor, the effect of any change in the applicable currency, stock, interest rate or other index will be increased. The historical experience of the relevant currencies, commodities, stocks, interest rates or other indices should not be taken as an indication of future performance of such currencies, stocks, interest rates or other indices during the term of any Index Linked Note. Additionally, there may be regulatory and other ramifications associated with the ownership by certain investors of certain Index Linked Notes.

The credit ratings assigned to Dexia Crédit Local's medium-term note programme are a reflection of the credit status of Dexia Crédit Local, and are in no way a reflection of the potential impact of any of the factors discussed above, or any other factors, on the market value of any Index Linked Note. Accordingly, prospective investors should consult their own financial and legal advisers as to the risks entailed by an investment in Index Linked Notes and the suitability of such Notes in light of their particular circumstances.

Various transactions by the Issuer could impact the performance of any Index Linked Notes, which could lead to conflicts of interest between the Issuer and holders of its Index Linked Notes.

The Issuer is active in the international securities and currency markets on a daily basis. It may thus, for its own account or for the account of customers, engage in transactions directly or indirectly involving assets that are "reference assets" under Index Linked Notes and may make decisions regarding these transactions in the same manner as it would if the Index Linked Notes had not been issued. The Issuer and its affiliates may on the issue date of the Index Linked Notes or at any time thereafter be in possession of information in relation to any reference assets that may be material to holders of any Index Linked Notes and that may not be publicly available or known to the Noteholders. There is no obligation on the part of the Issuer to disclose any such business or information to the Noteholders.

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country to which the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial obligations such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Base Prospectus and/or in the Final Terms but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only these advisers are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus and the additional tax sections, if any, contained in the relevant Final Terms.

EU Directive on the taxation of savings income

On 3 June 2003, the European Council of Economics and Finance Ministers adopted the directive 2003/48/EC regarding the taxation of savings income in the form of interest payments (the “**Savings Directive**”). The Savings Directive requires Member States, subject to a number of conditions being met, to provide to the tax authorities of other Member States details of payments of interest and other similar income made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident or certain entities called “residual entities” established in that other Member State, except that, for a transitional period, Luxembourg and Austria will instead withhold an amount on interest payments unless the relevant beneficial owner of such payment elects otherwise (see “Taxation — EU Taxation”).

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment pursuant to the Savings Directive, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Savings Directive.

On 13 November 2008 the European Commission published a detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the Savings Directive they may amend or broaden the scope of the requirements described above.

Minimum Denominations

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of the minimum Specified Denomination (or its equivalent) that are not integral multiples of the minimum Specified Denomination (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more minimum Specified Denominations.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Base Prospectus, and have been filed with the Luxembourg competent authority for purposes of the Prospectus Directive and shall be incorporated in, and form part of, this Base Prospectus:

- (a) the audited consolidated and non-consolidated financial statements of the Issuer for the financial year ended 31 December 2009, the notes related thereto and the statutory auditors' report in respect of such financial statements, contained in the Annual Report of the Issuer for 2009;
- (b) the audited consolidated and non-consolidated financial statements of the Issuer for the financial year ended 31 December 2008, the notes related thereto and the statutory auditors' report in respect of such financial statements, contained in the Annual Report of the Issuer for 2008
- (c) the half-year 2010 business report of the Issuer including the condensed interim consolidated financial statements of the Issuer with a limited review from the statutory auditors as at and for the six months ended 30 June 2010, the notes related thereto and the statutory auditors' report in respect of such financial statements.

Any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

Others

The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which, or portions of which, are incorporated herein by reference.

All documents incorporated by reference in this Base Prospectus may be obtained, free of charge, at the offices of the Fiscal Agent and each Paying Agent set out at the end of this Base Prospectus during normal business hours so long as any of the Notes are outstanding. Such documents will also be published on the website of the Luxembourg Stock Exchange ("www.bourse.lu").

Cross-reference list in respect of the financial information of Dexia Crédit Local

Prospectus Regulation — Annex XI in respect of Dexia Crédit Local		30 June 2010 Financial Statements	Annual Report 2009	Annual Report 2008
11. Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses	Statutory Auditors' reports	Page 43	Pages 194 to 195 and pages 245 to 246	Pages 182 to 183 and pages 233 to 234
	Management Report	Pages 1 to 26	Pages 12 to 72	Pages 12 to 62
	Consolidated and non-consolidated financial statements	Pages 27 to 32 (Consolidated financial statements only)	Pages 94 to 101 and pages 198 to 201	Pages 82 to 88 and pages 186 to 189
	Notes to consolidated and non-consolidated financial statements (including a description of the accounting policies)	Pages 33 to 41	Pages 102 to 193 and pages 202 to 244	Pages 89 to 181 and pages 190 to 232
	Consolidated balance sheet	Pages 27 to 28	Pages 94 to 95	Pages 82 to 83
	Consolidated income statement	Page 29 to 30	Page 96	Page 84
	Consolidated Cash flow statement	Page 32	Pages 100 to 101	Pages 87 to 88
	Changes in Shareholders' Equity	Pages 31 to 32	Pages 98 to 99	Pages 85 to 86
5.1.3 Principal markets	A brief description of the principal markets in which the Issuer competes	Pages 2 to 3		

Information contained in the documents incorporated by reference other than information listed in the table above is for information purposes only and does not form part of this Base Prospectus.

GENERAL DESCRIPTION OF THE PROGRAMME

The following description of the Programme does not purport to be complete and is qualified by the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the “Terms and Conditions” set out herein and the applicable Final Terms. Words and expressions defined under “Terms and Conditions of the Notes” shall have the same meanings in this section.

Issuer	Dexia Crédit Local (a <i>société anonyme</i>)
Description	Continuously offered Euro Medium Term Note Programme (the “Programme”)
Arranger	Goldman Sachs International
Dealers	BNP Paribas Citigroup Global Markets Limited Credit Suisse Securities (Europe) Limited Dexia Banque Internationale à Luxembourg, <i>société anonyme</i> , acting under the name of Dexia Capital Markets Dexia Crédit Local Goldman Sachs International HSBC Bank plc J.P. Morgan Securities Ltd. Merrill Lynch International Morgan Stanley & Co. International plc Nomura International plc Société Générale UBS Limited
	The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to “Permanent Dealers” are to the persons listed above as Dealers and to such additional persons which are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and to “Dealers” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Programme Limit	Up to Euro 40,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Fiscal Agent	Dexia Banque Internationale à Luxembourg, <i>société anonyme</i> .
Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers.
Maturities	Subject to compliance with all relevant laws, regulations and directives, any maturity from one month from the date of

original issue. In the case of Extendible Notes, the Noteholder's option may provide that the Maturity Date in respect of the Notes will be automatically extended unless a Noteholder exercises its Non-Extension Option in respect of any Note held by such Noteholder within the relevant Exercise Period.

Subordinated Notes (as defined below) may be dated or undated. The maturity of Subordinated Notes, the proceeds of which constitute Tier 1 or Upper Tier 2 Capital (as defined below) will have no fixed maturity date. The maturity of Subordinated Notes, the proceeds of which constitute Tier 2 Capital (as defined below), will not be less than five years, and the maturity of Subordinated Notes, the proceeds of which constitute Tier 3 Capital (as defined below), will not be less than two years or, in either case, such other minimum maturity as may be required by applicable legal and regulatory requirements.

Form of Notes

The Notes may be issued in bearer form only ("**Bearer Notes**"), in bearer form exchangeable for Registered Notes ("**Exchangeable Bearer Notes**") or in registered form only ("**Registered Notes**"). Each Tranche of Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes are being issued in compliance with the D Rules (as defined in "General Description of the Programme — Selling Restrictions"), otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as "Global Certificates".

Denomination

Notes will be issued in such denominations as may be specified in the applicable Final Terms save that:

- (i) (as this Base Prospectus has not been approved by the relevant competent authority of the Issuer's country of incorporation for the purposes of the Prospectus Directive), in the case of any Notes admitted to trading on a regulated market within the European Economic Area or offered to the public in an EEA State, in each case in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum Specified Denomination shall be €1,000 (or its equivalent in any other currency as at the date of issue of those Notes); and
- (ii) the minimum Specified Denomination of each Note

will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

Interest, Specified Interest Payment Dates, Interest Periods and Rates of Interest

The relevant Final Terms will specify whether or not the Notes bear interest, the method of and periods for, the calculation of such interest (which may differ from time to time or be constant for any Series) and the dates on which any such interest shall be payable. Notes may have a maximum rate of interest, a minimum rate of interest, or both.

Fixed Interest Rate Notes

Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

Floating Rate Notes

Floating Rate Notes will bear interest set separately for each Series by reference to LIBOR or EURIBOR (or such other benchmark as may be specified in the relevant Final Terms) as adjusted for any applicable margin. Interest Periods will be specified in the relevant Final Terms.

Dual Currency Notes

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies and based upon such rates of exchange as are agreed between the Issuer and the relevant Dealer(s) prior to issue and set out in the applicable Final Terms.

Index Linked Notes

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Index Linked Notes will be calculated by reference to such Index and/or formula as are agreed between the Issuer and the relevant Dealer(s) prior to issue and set out in the applicable Final Terms.

Variable Coupon Amount Notes

The Final Terms issued in respect of each issue of Variable Coupon Amount Notes will specify the basis for calculating the amounts of interest payable, which may be by reference to a stock index or formula or as otherwise provided in the relevant Final Terms.

Variable Redemption Amount Notes

The Final Terms issued in respect of each issue of Variable Redemption Amount Notes will specify the basis for calculating the redemption amounts payable, which may be by reference to a stock index or formula or as otherwise provided in the relevant Final Terms.

Zero Coupon Notes

Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest.

Other Notes

Terms applicable to high-interest Notes, low-interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional Dual Currency Notes and any other type of Notes which the Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Final Terms.

Redemption by Instalments	The Final Terms issued in respect of each issue of Notes which are redeemable in two or more instalments will set out the days on which, and the amounts in which, such Notes may be redeemed.
Optional Redemption	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders, and, if so, the terms applicable to such redemption as described in “Terms and Conditions of the Notes — Redemption, Purchase and Options”.
Early Redemption	Except as provided in “Optional Redemption” above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons, as described in “Terms and Conditions of the Notes — Taxation”.
Redenomination	Notes issued in the currency of any Member State of the European Union which participates in the third stage of economic and monetary union may be redenominated into Euro, as described in “Terms and Conditions of the Notes — Form, Denomination, Title and Redenomination”.
Consolidation	Notes of one Series may be consolidated with Notes of another Series, as described in “Terms and Conditions of the Notes — Further Issues and Consolidation”.
Issue Price	Notes may be issued at their principal amount or at a discount or premium to their principal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.
Method of Issue	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in one or more Series. Further Notes may be issued in Tranches as part of an existing Series.
Initial Delivery of Notes	<p>On or before the issue date for each Tranche, if the Global Note is a NGN or the Global Certificate is held under the NSS, the Global Note or the Global Certificate, as applicable, will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg.</p> <p>On or before the issue date for each Tranche, if the relevant Global Note is a CGN or the Global Certificate is not held under the NSS, the Global Note representing Bearer Notes or Exchangeable Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Global Notes or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer.</p> <p>Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of</p>

	nominees or a common nominee for such clearing systems.
Governing Law	English law (other than the provisions of Condition 3(b) relating to Subordinated Notes, which, if applicable, are governed by French law).
Jurisdiction	High Court of Justice in England, unless it is specified in the relevant Final Terms that the federal and state courts in the Borough of Manhattan in the City of New York are to have jurisdiction.
Listing and Admission to Trading	Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to the Official List and to be admitted to trading on the Regulated Market or as otherwise specified in the relevant Final Terms and references to listing shall be construed accordingly. As specified in the relevant Final Terms, a Series of Notes may be unlisted.
Clearing Systems	Clearstream, Luxembourg, Euroclear, DTC, Clearstream Banking AG Frankfurt-am-Main ("CBF"), Euroclear France, SIS SegalInterSettle AG, the Swiss Services Corporation in Otten, Switzerland ("SIS") and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer. Application may be made for trading of Registered Notes in Portal, as specified in the applicable Final Terms.
Taxation	<p>All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Republic of France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.</p> <p>If the Issuer is required to make a withholding or deduction with respect to any French taxes, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holders of Notes, after deduction of such withholding, receive the full amount provided in such Notes to be then due and payable except that no additional amounts shall be payable in certain circumstances more fully described in Condition 8 of the "Terms and Conditions of the Notes".</p> <p>If the Issuer is required to make a withholding or deduction with respect to any French taxes and as a result is required to pay additional amounts to Noteholders it may, in certain circumstances more fully described in Condition 8 of the "Terms and Conditions of the Notes", redeem all (but not some only) of the outstanding Notes.</p> <p>Each prospective investor should carefully review the "Taxation" section of this Base Prospectus.</p>

Status of Notes

The obligations of the Issuer under the Notes may be unsubordinated (“Unsubordinated Notes”) or subordinated (“Subordinated Notes”). Unsubordinated Notes will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer. Subordinated Notes, which may be dated or undated, may be ordinary Subordinated Notes (“Ordinary Subordinated Notes”) or deeply Subordinated Notes (“Deeply Subordinated Notes”), will constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and their proceeds may or may not constitute (i) *fonds propres de base* within the meaning of Article 2 of Regulation no. 90-02 dated 23 February 1990, as amended, of the *Comité de la Réglementation Bancaire et Financière* (“CRBF”) (“Tier 1 Capital”); (ii) *fonds propres complémentaires* within the meaning of Article 4(c) of the CRBF Regulation no. 90-02 of 23 February 1990 (“Upper Tier 2 Capital”); (iii) *fonds propres complémentaires* within the meaning of Article 4(d) of the CRBF Regulation no. 90-02 of 23 February 1990 (“Lower Tier 2 Capital”, together with Upper Tier 2 Capital, “Tier 2 Capital”); or (iv) *fonds propres surcomplémentaires* (“Tier 3 Capital”) within the meaning of Article 3.3 of Regulation no. 95-02 of 21 July 1995, in each case, of the *Comité de la Réglementation Bancaire et Financière*, all as described in “Terms and Conditions of the Notes” and/or in the applicable Final Terms.

Negative Pledge and Cross-Default

The terms of the Unsubordinated Notes will contain a negative pledge provision and a cross-default provision as described in “Terms and Conditions of the Notes — Negative Pledge” and “Terms and Conditions of the Notes — Events of Default”, respectively.

Ratings

Tranches of Notes to be issued under the Programme may be rated or unrated. Details of the rating, if any, attributable to an issue of Notes will be set out in the applicable Final Terms. Potential purchasers of Notes should consider the rating(s) (if any) applicable to a Tranche of Notes before making any decision to purchase such Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Transfer Restrictions

There are restrictions on the transfer of Notes under the Securities Act. See “Transfer Restrictions” and “Plan of Distribution”.

Selling Restrictions

There are restrictions on the sale of Notes and the distribution of this Base Prospectus in various jurisdictions, including the United States, the European Economic Area and certain of its Member States and Japan. In connection with the offering and sale of a particular Tranche, additional selling restrictions may be imposed which will be set out in the relevant Final Terms.

The Issuer is Category 2 for the purposes of Regulation S. Bearer Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “D Rules”), unless (i) the relevant Final Terms state that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “C Rules”) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” for U.S. federal income tax purposes, which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

Final Terms/Supplements/Prospectuses

The Final Terms will contain the information items permitted under Article 22.4 of Commission Regulation (EC) No. 809/2004 (the “**Prospectus Regulation**”). A series prospectus may be used for any Tranche of Notes under the Programme, and such prospectus will include the final terms and conditions for such Notes.

Public Offers

Unless the Final Terms so specify, the Notes shall not be offered to the public in Luxembourg and/or in any other EEA Member State or otherwise.

Method of Publication of the Final Terms

The Final Terms related to Notes admitted to trading and/or offered to the public will be published in electronic form on the website of the Luxembourg Stock Exchange (“www.bourse.lu”). The Final Terms will indicate where the Base Prospectus and any other constituent documents thereof may be obtained.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued by Dexia Crédit Local (the “Issuer”) pursuant to an Amended and Restated Agency Agreement dated 7 January 2011 (as further amended or supplemented as at the date of issue of the Notes (the “Issue Date”), the “Agency Agreement”), between the Issuer, Dexia Banque Internationale à Luxembourg, société anonyme as fiscal and principal paying agent (the “Fiscal Agent”), as calculation agent (together with any additional or other calculation agents in respect of the Notes from time to time appointed, the “Calculation Agent(s)”, as redenomination agent (the “Redenomination Agent”), as consolidation agent (the “Consolidation Agent”), as transfer agent, as registrar (the “Registrar”), and as exchange agent (the “Exchange Agent”), the other paying agents named therein (together with the Fiscal Agent and any additional or other paying agents in respect of the Notes from time to time appointed, the “Paying Agents”) and as transfer agent (together with the transfer agent referred to above and any additional or other transfer agents in respect of the Notes from time to time appointed, the “Transfer Agents”) and with the benefit of an Amended and Restated Deed of Covenant dated 7 January 2011 (as amended or supplemented as at the Issue Date, the “Deed of Covenant”) executed by the Issuer in relation to the Notes. The Noteholders (as defined below), the holders of the interest coupons (the “Coupons”) relating to interest-bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “Talons”) (the “Couponholders”) and the holders of the receipts for the payment of instalments of principal (the “Receipts”) relating to Notes in bearer form of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used in these Conditions, “Tranche” means Notes which are identical in all respects.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

1 Form, Denomination, Title and Redenomination

(a) Form and Denomination

The Notes are issued in bearer form (“Bearer Notes”, which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form (“Registered Notes”) or in bearer form exchangeable for Registered Notes (“Exchangeable Bearer Notes”) in each case in the Specified Denomination(s) shown hereon.

All Registered Notes shall have the same Specified Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Specified Denomination as the lowest denomination of Exchangeable Bearer Notes.

In the case of any Notes admitted to trading on a market regulated for the purposes of the Directive on Markets in Financial Instruments 2004/39/EC (an “EEA Regulated Market”) or offered

to the public within the territory of any EEA State, in each case in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum Specified Denomination of the Notes shall be €1,000 (or its equivalent in any other currency as at the date of issue of those Notes).

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("Certificates") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

(b) Title

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register which the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "Register"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Receipt, Coupon or Talon, as the case may be, for the purpose of receiving payment thereon and for all other purposes, whether or not such Note, Receipt, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof (or of that of the related Certificate) or any writing thereon (or on the Certificate representing it) made by anyone, and no person shall be liable for so treating the holder.

In these Conditions, "Noteholder" means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), "holder" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

(c) Redenomination

- (i) The Issuer may (unless otherwise specified in the Final Terms), on any Specified Interest Payment Date, without the consent of the Noteholders, by giving at least 30 days' notice in accordance with Condition 14, and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the third stage of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community (the "EC"), as amended from time to time (the "Treaty")) or events have occurred which have substantially the same effects (in either case, "EMU"), redenominate all, but not some only, of the Notes of any series into Euro and adjust the aggregate nominal amount and the Specified Denomination(s) set out hereon accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the "Redenomination Date".

- (ii) Unless otherwise specified hereon, the redenomination of the Notes pursuant to Condition 1(c)(i) shall be made by converting the nominal amount of this Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to Article 123 (4) of the Treaty and rounding the resultant figure to the nearest 0.01 Euro (with 0.005 Euro being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the nominal amount of this Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to Noteholders in accordance with Condition 14. Any balance remaining from the redenomination with a denomination higher than 0.01 Euro shall be paid by way of cash adjustment rounded to the nearest 0.01 Euro (with 0.005 Euro being rounded upwards). Such cash adjustment will be payable in Euros on the Redenomination Date in the manner notified to Noteholders by the Issuer.
- (iii) Upon redenomination of the Notes, any reference hereon to the relevant national currency shall be construed as a reference to Euro.
- (iv) Unless otherwise specified hereon, the Issuer may, with prior approval of the Redenomination Agent and the Consolidation Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 13, without the consent of the Noteholders, make any changes or additions to these Conditions which it reasonably believes to be necessary or desirable to give effect to the provisions of this Condition or Condition 13 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Relevant Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated Euromarket debt obligations and which it believes are not prejudicial to the interests of the Noteholders. Any such changes or additions shall, in the absence of manifest error, be binding on the holders of Notes, Receipts, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 14 as soon as practicable thereafter.
- (v) Neither the Issuer nor any Paying Agent shall be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

2 Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes

(a) Exchange of Exchangeable Bearer Notes

Subject as provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same nominal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Coupons, Receipts and Talons relating to it, at the specified office of the Registrar or any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 7(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Series or one Specified Denomination may not be exchanged for Bearer Notes of another Series or Specified Denomination. Bearer Notes which are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be

transferred, together with the form of transfer endorsed on such Certificate, duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(c) Exercise of Options or Partial Redemption in Respect of Registered Notes

In the case of an exercise of an Issuer's or Noteholder's option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates

Each new Certificate to be issued pursuant to Condition 2(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) Exchange Free of Charge

Exchange or transfer of Notes and Certificates on registration, transfer, partial redemption or exercise of an option will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(f) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption in whole or in part or (iv) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however,

be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

3 Status

(a) Status of Unsubordinated Notes

Unsubordinated Notes (being those Notes the status of which is specified hereon as Unsubordinated Notes) and the Receipts and Coupons relating to them constitute direct, unconditional, unsecured (without prejudice to the provisions of Condition 4) and unsubordinated obligations of the Issuer and rank and will rank *pari passu* among themselves and at least equally with all other unsecured indebtedness and guarantees, present and future, of the Issuer without any preference or priority by reason of date of issue, currency of payment or otherwise (except for indebtedness granted preference by mandatory provisions of law and without prejudice as aforesaid).

(b) Status of Subordinated Notes

Subordinated Notes (being those Notes the status of which is specified hereon as Subordinated Notes and which may be dated or undated and which may be ordinary Subordinated Notes ("Ordinary Subordinated Notes") or deeply Subordinated Notes ("Deeply Subordinated Notes")) constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank and will rank *pari passu* among themselves and *pari passu* with (i) in the case of Ordinary Subordinated Notes, all other unsecured subordinated indebtedness and guarantees, present and future, of the Issuer without any preference or priority by reason of date of issue, currency of payment or otherwise, with the exception of Deeply Subordinated Notes and the other deeply subordinated obligations of the Issuer and the *prêts participatifs* granted to, and *titres participatifs* (if any) issued by, the Issuer and (ii) in the case of Deeply Subordinated Notes, all other Deeply Subordinated Notes and other deeply subordinated obligations of the Issuer without any preference of priority by reason of date of issue, currency of payment or otherwise but behind the *prêts participatifs* granted to and the *titres participatifs* issued by the Issuer and Ordinary Subordinated Notes. If any judgment is rendered for the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the payment obligations of the Issuer under the Subordinated Notes and the Receipts and, if so specified hereon, the Coupons relating to them, shall be subordinated to the payment in full of the unsubordinated creditors (including depositors) of the Issuer and, subject to such payment in full, the holders of the Subordinated Notes and the holders of the Receipts and, if it is specified hereon that the payment obligations of the Issuer under the Coupons are subordinated, of the Coupons relating to them, will be paid (x) in the case of Ordinary Subordinated Notes, in priority to any *prêts participatifs* granted to, and any *titres participatifs* (if any) or Deeply Subordinated Notes or other deeply subordinated obligations issued by the Issuer and any share capital of any nature of the Issuer and (y) in the case of Deeply Subordinated Notes, in priority only to any share capital of any nature of the Issuer. In the event of incomplete payment of unsubordinated creditors on the judicial liquidation (*liquidation judiciaire*) of the Issuer, the obligations of the Issuer in connection with the Subordinated Notes and the Receipts and, if it is specified hereon that the payment obligations of the Issuer under the Coupons are subordinated, the Coupons, will be terminated by operation of law.

The relevant Final Terms may provide for additions or variations to the Conditions applicable to the Subordinated Notes for the purposes *inter alia* of enabling the proceeds of the issue of such Subordinated Notes to count as (i) *fonds propres de base* within the meaning of Article 2 of Regulation no. 90-02 dated 23 February 1990, as amended, of the *Comité de la Réglementation Bancaire et Financière* ("CRBF") ("Tier 1 Capital"); (ii) *fonds propres complémentaires* within the

meaning of Article 4(c) of the CRBF Regulation no. 90-02 of 23 February 1990 (“Upper Tier 2 Capital”); (iii) *fonds propres complémentaires* within the meaning of Article 4(d) of the CRBF Regulation no. 90-02 of 23 February 1990 (“Lower Tier 2 Capital”, together with Upper Tier 2 Capital, “Tier 2 Capital”); or (iv) *fonds propres surcomplémentaires* (“Tier 3 Capital”) within the meaning of Article 3.3 of the CBRF Regulation no. 95-02 of 21 July 1995, in each case, as amended or superseded from time to time, and the order of priority of payments of such Subordinated Notes in the case of the judicial liquidation (*liquidation judiciaire*) of the Issuer.

Article 2 of the CRBF Regulation no. 90-02 dated 23 February 1990 should be read in conjunction with the press release of the Bank for International Settlements dated 27 October 1998 concerning instruments eligible for inclusion in Tier 1 Capital (the “BIS Press Release”).¹

4 Negative Pledge

The Issuer undertakes that, so long as any of the Unsubordinated Notes, Receipts or Coupons remains outstanding (as defined in the Agency Agreement), it will not secure or allow to be or remain secured any Marketable Indebtedness (as defined below) now or hereafter existing by any mortgage, lien, pledge, assignment or charge upon any of the present or future revenues or assets of the Issuer without at the same time according to the Unsubordinated Notes, Receipts or Coupons an equal and rateable interest in the same security. As used in this paragraph, “Marketable Indebtedness” means any loan or other indebtedness in whatever currency, in each case, in the form of, or represented or evidenced by, bonds, notes, debentures or other securities which, in connection with their initial distribution, (i) are or are to be quoted, listed or traded on any stock exchange or over-the-counter or other securities market and (ii) are intended to be offered or distributed, directly or indirectly, by or with the authorisation of the Issuer to persons resident outside the Republic of France and/or to qualified investors within the Republic of France.

5 Interest and other Calculations

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date as specified hereon. The amount of interest payable shall be determined in accordance with Condition 5(h).

(b) Interest on Floating Rate Notes and Index Linked Interest Notes

(i) Interest Payment Dates

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the First Interest Payment Date, after the Interest Commencement Date.

(ii) Business Day Convention

¹ The French language version of the BIS Press Release is attached to the annual report of the *Commission Bancaire*.

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes*

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "ISDA Rate" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and
- (z) the relevant Reset Date is the first day of that Interest Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

(x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as

determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon;

- (y) if the Relevant Screen Page is not available or, if sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference

Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(iv) *Rate of Interest for Index Linked Interest Notes*

The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

(c) **Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(c)(ii)) or to a rate specified in the Final Terms.

(d) **Dual Currency Notes**

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

(e) **Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.

(f) **Accrual of Interest**

Interest shall cease to accrue on this Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(g) **Margin, Minimum/Maximum Rates of Interest, Instalment Amounts, Redemption Amounts and Rounding**

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

- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, "unit" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.

(h) Calculations

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless a Fixed Coupon Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Fixed Coupon Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Fixed Coupon Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

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

The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the

accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) Definitions

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

“Business Day” means:

- (i) in the case of a Specified Currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of Euro, a day on which the TARGET System is operating (a “TARGET Business Day”); and/or
- (iii) in the case of a Specified Currency and/or one or more Business Centres, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres;

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

- (i) if “Actual/Actual” or “Actual/Actual — ISDA” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified hereon, the actual number of days in the Calculation Period divided by 365;
- (iii) if “Actual/360” is specified hereon, the actual number of days in the Calculation Period divided by 360;
- (iv) if “30/360”, “360/360” or “Bond Basis” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (v) if “30E/360” or “Eurobond Basis” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCountFraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30;

- (vi) if “30E/360 (ISDA)” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCountFraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30; and

(vii) if “Actual/Actual — ICMA” is specified hereon:

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

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

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

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

where:

“**Determination Date**” means the date specified as such hereon or, if none is so specified, the Interest Payment Date;

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date;

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

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

“**Interest Amount**” means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period;

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified hereon;

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is sterling, or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro, or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro;

“Interest Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the First Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon;

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon;

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon;

“Reference Banks” means, in the case of a determination of LIBOR, the principal London office of four major banks in the London interbank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone interbank market, in each case selected by the Calculation Agent or as specified hereon;

“Reference Rate” means the rate specified as such hereon;

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon;

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated; and

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System which was launched on 19 November 2007 or any successor thereto.

(k) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6 Redemption, Purchase and Options

(a) *Final Redemption*

Unless previously redeemed, purchased and cancelled as provided below, this Note will be redeemed at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within Condition 6(f), its final Instalment Amount on the Maturity Date specified hereon. The Maturity Date, in relation to Subordinated Notes the proceeds of which constitute Lower Tier 2 Capital, will not be less than five years from the Issue Date and, where the proceeds constitute Tier 3 Capital, will not be less than two years from the Issue Date. Subordinated Notes, the proceeds of which constitute Tier 1 Capital or Upper Tier 2 Capital, will be undated and will have no fixed redemption or maturity date.

(b) *Purchases*

The Issuer may, at any time, purchase Notes (provided that, in the case of Bearer Notes, all unmatured Coupons, Receipts and unexchanged Talons appertaining thereto are attached or surrendered therewith) in the open market or otherwise at any price. In the case of Subordinated Notes the proceeds of which constitute Tier 1 Capital, Tier 2 Capital or Tier 3 Capital, any such purchase will be subject to the prior approval of the *Secrétariat Général* of the *Autorité de Contrôle Prudentiel* (i) if the purchase relates (individually or when aggregated with any previous purchase) to 10 per cent. or more of the nominal amount of the Notes or (ii) in the case of an *Offre Publique d'Achat* ("Public Repurchase Offer") or an *Offre Publique d'Echange* ("Public Exchange Offer"). All Notes so purchased by the Issuer may be held and resold in accordance with Article L213-1 A of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Notes.

(c) *Early Redemption*

(A) *Zero Coupon Notes*

- (i) Unless otherwise specified hereon, the Early Redemption Amount payable in respect of any Note, the Rate of Interest of which is specified to be Zero Coupon, upon redemption of such Note pursuant to Condition 8(b) or (c) or, if applicable, Condition 6(d) or (e) or upon it becoming due and payable as provided in Condition 10, shall be:
 - (a) if the Redemption Amount of such Note is variable, the Zero Coupon Early Redemption Amount of such Note specified hereon; or
 - (b) in any other case, the Amortised Face Amount (calculated as provided below) of such Note.
- (ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually. Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.
- (iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 8(b) or (c) or, if applicable, Condition 6(d) or (e), or upon it becoming due and payable as provided in Condition 10, is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above,

except that such sub-paragraph shall have effect as though the reference therein to the date on which the Note becomes due and payable were replaced by a reference to the Relevant Date (as defined in Condition 8). The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 5(f).

(B) Other Notes

The Early Redemption Amount payable in respect of any Note (other than Notes described in (A) above), upon redemption of such Note pursuant to Condition 8 or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

(d) Redemption at the Option of the Issuer and Exercise of Issuer's Options

If so provided hereon, the Issuer may, subject to the prior approval of the *Secrétariat Général* of the *Autorité de Contrôle Prudentiel* in the case of Subordinated Notes the proceeds of which constitute Tier 1 Capital, Tier 2 Capital or Tier 3 Capital and to compliance by the Issuer with all relevant laws, regulations and directives, on giving irrevocable notice to the Noteholders falling within the Issuer's Notice Period, redeem all or, if so provided, some of the Notes in the nominal amount or integral multiples thereof and on the date or dates so provided.

Any such redemption of Notes shall be at their Redemption Amount together with any interest accrued to the date fixed for redemption.

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

In the case of a partial redemption the notice to Noteholders shall also contain the serial numbers of the Notes or, in the case of Registered Notes, shall specify the nominal amount of Registered Notes drawn and the holders of such Registered Notes to be redeemed, which shall have been drawn in such place as the Fiscal Agent may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange requirements.

(e) Redemption at the Option of Noteholders and Exercise of Noteholder's Options

If so provided hereon and provided that this Note is not a Subordinated Note the proceeds of which constitute Tier 1 Capital, Tier 2 Capital or Tier 3 Capital, the Issuer shall, subject to compliance by the Issuer with all relevant laws, regulations and directives, at the option of the holder of any such Note, redeem such Note on the Optional Redemption Date so provided hereon at its Redemption Amount together with any interest accrued to the date fixed for redemption.

In the case of Extendible Notes, the Noteholder's option may provide that the initial Maturity Date in respect of such Notes as provided in the applicable Final Terms (the "Initial Maturity Date") or any Extended Maturity Date resulting from any previous exercise of such option will, unless a Noteholder exercises its option not to extend the Maturity Date (a "Non Extension Option"), be extended automatically on one or more occasions to such later date(s) as shall be provided in the applicable Final Terms (each an "Extended Maturity Date" and the last such possible Extended Maturity Date, as provided in the applicable Final Terms, the "Final Extended Maturity Date"). If the Maturity Date is not so extended in respect of an Extendible Note, such Note will be redeemed on its then current Maturity Date in accordance with the provisions of Condition 6(a) above at its Final Redemption Amount.

If the Non-Extension Option is not exercised in respect of an Automatic Extension Date during the Automatic Extension Period, each as specified in the relevant Final Terms, the Maturity Date of this Note shall be extended automatically by the duration (the "Automatic Extension Duration") as specified in the relevant Final Terms so that it falls on the next succeeding Extended Maturity Date.

Not later than 30 calendar days (or such other period as shall be specified in the applicable Final Terms) prior to each Automatic Extension Date, the Issuer shall give notice to the Noteholders informing them of their right to exercise the Non-Extension Option in relation to such Automatic Extension Date.

To exercise any such option referred to in the first paragraph of this Condition 6(e), the Non-Extension Option or any other Noteholder's option which may be set out hereon, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("Exercise Notice") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) and/or annexed to the applicable Final Terms within the Notice Period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

If a Noteholder validly exercises its Non-Extension Option in relation to any Note and any Automatic Extension Date as provided above, then (i) in the case of Bearer Notes, the Paying Agent to which such Note is presented shall enface thereon a statement indicating that the Non-Extension Option has been exercised in relation to such Note, the Maturity Date of such Note and the new International Securities Identification Number ("ISIN") and Common Code applicable to it and shall remove from the Note and cancel all unmatured Receipts, all unmatured Coupons relating to the Interest Payment Dates falling after such Maturity Date and unexchanged Talons and (ii) in the case of Registered Notes, the Registrar or Transfer Agent to which the relevant Certificate is presented will destroy such Certificate and replace it with a replacement Certificate with the relevant Maturity Date and the new ISIN and Common Code enfaced on it.

Following each Automatic Extension Date, the Issuer shall give notice to the Noteholders informing them of the aggregate nominal amount, the Maturity Date and ISIN and Common Code of Notes in respect of which the Non-Extension Option for such Automatic Extension Date was not exercised.

(f) *Redemption by Instalments*

Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified hereon) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 6(d) or (e), each Note which provides for Instalment Dates and Instalment Amounts will be partially redeemed on each Instalment Date at the Instalment Amount specified hereon, whereupon the outstanding nominal amount of such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(g) Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified in the relevant Final Terms.

(h) Cancellation

All Notes purchased by or on behalf of the Issuer for cancellation shall be cancelled forthwith, in the case of Bearer Notes, by surrendering such Notes together with all unmatured Coupons, Receipts and unexchanged Talons attached thereto to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar. Any Notes so cancelled shall not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7 Payments and Talons

(a) Bearer Notes

Payments of principal and interest in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by transfer to an account denominated in that currency with, a bank in the principal financial centre of that currency; provided that in the case of Euro, the transfer may be to, or the cheque drawn on, a Euro account with a bank in Europe (or any other account to which Euro may be credited or transferred in a city in which banks have access to the TARGET System).

(b) Registered Notes

- (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes will be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Interest (which for the purposes of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes will be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof or, in case of Registered Notes to be cleared through The Depository Trust Company ("DTC"), on the fifteenth DTC business day before the due date for payment thereof (the "Record Date"). For the purpose of this Condition 7(b), "DTC business day" means any day on which DTC is open for business. Payments of interest on each Registered Note will be made in the currency in which such payments are due by cheque drawn on a bank in the principal financial centre of the country of the currency concerned and mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date and subject as provided in paragraph (a) above, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre of the country of that currency.

- (iii) If specified in the relevant Final Terms, Registered Notes will be issued in the form of one or more Global Certificates and may be registered in the name of, or in the name of a nominee for, DTC. Payments of principal and interest in respect of Registered Notes denominated in U.S. dollars will be made in accordance with Conditions 7(b)(i) and 7(b)(ii). Payments of principal and interest in respect of Registered Notes registered in the name of, or in the name of a nominee for, DTC and denominated in a specified currency other than U.S. dollars will be made or procured to be made by the Fiscal Agent in the specified currency in accordance with the following provisions. The amounts in such specified currency payable by the Fiscal Agent or its agent to DTC with respect to Registered Notes held by DTC or its nominee will be received from the Issuer by the Fiscal Agent who will make payments in such specified currency by wire transfer of same-day funds to the designated bank account in such specified currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of interest payments, on or prior to the third DTC business day after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 DTC business days prior to the relevant payment date, to receive that payment in such specified currency. The Fiscal Agent, after the Exchange Agent has converted amounts in such specified currency into U.S. dollars, will cause the Exchange Agent to deliver such U.S. dollar amount in same-day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such specified currency. The Agency Agreement sets out the manner in which such conversions are to be made.

(c) *Payments in the United States*

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

(d) *Payments subject to Fiscal Laws*

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

(e) *Appointment of Agents*

The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar and the Transfer Agents act solely as agents of the Issuer and the Calculation Agent acts as an independent expert and none of them assumes any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer will at all times maintain (i) a Fiscal Agent outside the Republic of France, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a Redenomination Agent and a Consolidation Agent,

where the relevant Final Terms so require, (v) one or more Calculation Agent(s) where the Conditions so require, (vi) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of the 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive and (vii) at least one Paying Agent having a specified office in a European city, and provided further that (A) so long as the Notes are listed on the official list of the Luxembourg Stock Exchange and are admitted to trading on the Regulated Market, the Issuer will maintain a Paying Agent and Transfer Agent in Luxembourg and (B) the Issuer will maintain such other agents as may be required by the rules of any other stock exchange on which the Notes may be listed.

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

On a redenomination of the Notes pursuant to Condition 1(c) with a view to consolidating the Notes with one or more other Series of notes, in accordance with Condition 13, the Issuer shall ensure that the same entity shall be appointed as both Redenomination Agent and Consolidation Agent in respect of both the Notes and such other issues of notes to be so consolidated with the Notes.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 14.

(f) *Unmatured Coupons and Receipts and unexchanged Talons*

- (i) Upon the due date for redemption, Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Notes) should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon which the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index Linked Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Bearer Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Bearer Note which provides that the relative unexpired Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons or where any Bearer Note is presented for redemption without any

unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender, if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note which only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) Business Days for Payments

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day or such other date as may be specified in the relevant Final Terms (the “Adjusted Payment Date”) or to any interest or other sum in respect of such postponed payment. In this paragraph, “business day” means a day (other than a Saturday or Sunday):

- (i) on which banks and foreign exchange markets are open for business in the relevant place of presentation;
- (ii) in such jurisdictions as shall be specified as “Financial Centres” in the applicable Final Terms and:
 - (x) (in the case of a payment in a currency other than Euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
 - (y) (in the case of a payment in Euro) which is a TARGET Business Day.

(h) Talons

If, due to the number of Coupons, a Talon for further Coupons is required, it shall form part of the Coupon sheet attached to each Bearer Note. On or after the Specified Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet), (but excluding any Coupons which may have become void pursuant to Condition 9).

8 Taxation

- (a) All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Republic of France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.
- (b) If, on the occasion of the next payment due in respect of the Notes or the Coupons appertaining thereto, the Issuer would be required, for any reason whatsoever beyond its control, to make a withholding or deduction with respect to any French taxes or duties, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holders of Notes, Receipts or Coupons, after deduction of such withholding, receive the full amount provided in such Notes, Receipts or Coupons to be then due and payable; provided, however, that if the obligation to make such additional payments arises by virtue of a change in

French law or in its application or official interpretation and cannot be avoided by reasonable measures available to the Issuer, the Issuer may, subject to the prior approval of the *Secrétariat Général* of the *Autorité de Contrôle Prudentiel* in the case of Subordinated Notes, the proceeds of which constitute Tier 1 Capital, Tier 2 Capital or Tier 3 Capital, redeem all (but not some only) of the outstanding Notes on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Note) or at any time (if this Note is neither a Floating Rate Note nor an Index Linked Note) (but not earlier than 30 days prior to the effective date of such change) at their Redemption Amount together with, unless otherwise specified in the relevant Final Terms, accrued interest to the date set for redemption, and provided that no such additional amount shall be payable with respect to any Note, Receipt or Coupon:

- (i) to a holder (or to a third party on behalf of a holder) where such holder is liable to such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with the Republic of France other than the mere holding of such Note, Receipt or Coupon; or
- (ii) in the case of Materialised Notes, presented for payment more than 30 days after the Relevant Date, except to the extent that the Noteholder or, if applicable, the Receiptholder or Couponholder, as the case may be, would have been entitled to such additional amounts on presenting the same for payment on such thirtieth day; or
- (iii) where such withholding or deduction is imposed on a payment and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive (including for the avoidance of doubt the agreements, concluded by each member of the European Union with several dependant or associated territories of the European Union, aiming to apply measures similar to the ones deriving from the European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such agreements); or
- (iv) where such withholding or deduction is imposed on a payment and is required to be made pursuant to the Luxembourg law dated 23 December 2005 as amended by the Luxembourg law dated 17 July 2008 (as such law could be amended or replaced in the future); or
- (v) presented (or in respect of which the Certificate representing it is presented) for payment by or on behalf of a Noteholder or, if applicable, the Receiptholder or Couponholder, as the case may be, who would be able to avoid such withholding or deduction by presenting the relevant Note (or the Certificate representing it), Receipt or Coupon to another Paying Agent in a member state of the European Union.

As used in these Conditions, "Relevant Date" in respect of any Note, Receipt or Coupon means whichever is the later of:

- (a) the date on which the payment in respect of such Note, Receipt or Coupon first became due and payable; or
- (b) if the full amount of the moneys payable on such date in respect of such Note, Receipt or Coupon has not been received by the Fiscal Agent on or prior to the due date, the date on which notice is duly given to the Noteholders that such moneys have been so received.

References in these Conditions to:

"principal" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Redemption Amounts, Amortised Face Amounts and all other

amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it;

“interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it; and

“principal” and/or “interest” shall be deemed to include any additional amounts which may be payable under this Condition.

- (c) In the event that the Issuer should be required to make the additional payments referred to in paragraph (b) above, that any French law or regulation should prohibit such additional payments, and that the obligation to make such additional payments cannot be avoided by reasonable measures available to the Issuer (which measures, if they exist, the Issuer shall be obliged to take, to the fullest extent permitted by law), the Issuer shall, subject to the prior approval of the *Secrétariat Général* of the *Autorité de Contrôle Prudentiel* in the case of Subordinated Notes the proceeds of which constitute Tier 2 Capital or Tier 3 Capital, redeem all (but not some only) of the outstanding Notes at their Redemption Amount together with, unless otherwise specified in the relevant Final Terms, any accrued interest to the date set for redemption, on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Note) or at any time (if this Note is neither a Floating Rate Note nor an Index Linked Note) not earlier than 30 days prior to the effective date of any change in French law referred to in paragraph (b) above and not later than the date on which such additional payments would have been due or as soon as practicable thereafter.
- (d) The Issuer shall give notice of any optional redemption pursuant to paragraph (b) above at least 30 days and not more than 60 days prior to the date set for redemption by publishing a notice of redemption in accordance with Condition 14 below. In the event of mandatory redemption pursuant to paragraph (c) above, the Issuer shall publish a notice of redemption (in accordance with the same provisions) as soon as possible after the necessity of such redemption becomes apparent but not more than 60 days prior to the date set for redemption.
- (e) Each Noteholder shall be responsible for supplying to the relevant Paying Agent, in a timely manner, any information as may reasonably and timely be required in order to comply with the identification and reporting obligations imposed on it by the European Council Directive 2003/48/EC or any other European Directive implementing the conclusions of the ECOFIN Council Meeting dated 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive.

9 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate due date in respect thereof.

10 Events of Default

The holder of any Note may, upon written notice given to the Fiscal Agent at its specified office before all defaults (“**Events of Default**”) have been cured, cause such Note to become immediately due and payable as of the date on which the said notice is given, at its Redemption Amount together with accrued interest to the date of payment:

- (a) In the case of Unsubordinated Notes:
 - (i) in the event of default in any payment of principal of, or interest on, any Note, including the payment of any additional amounts pursuant to Condition 8 above, when and as the same

shall become due and payable, if such default shall not have been cured within 15 days thereafter;

- (ii) in the event of default by the Issuer in the due performance of any other provision of the Notes, if such default shall not have been cured within 30 days after receipt by the Fiscal Agent of written notice of default given by the holder of such Note;
- (iii) in the event that any other indebtedness of the Issuer for borrowed money in excess of EUR 10,000,000 or its equivalent in any other currency or currencies shall become due and payable prior to the stated maturity thereof as a result of a default thereunder, or any such indebtedness shall not be paid at the maturity thereof after the expiry of any applicable grace period therefor, or any guarantee given by the Issuer for borrowed money of others in excess of EUR 10,000,000 or its equivalent in any other currency or currencies shall not be honoured when due and called upon, unless, in any such event, the Issuer has disputed in good faith that such indebtedness is due and payable or that such guarantee is due and callable and such dispute has been submitted to a competent court, in which case default in payment shall not constitute an Event of Default hereunder so long as the dispute shall not have been finally adjudicated;
- (iv) in the event that the Issuer applies for or is subject to an amicable settlement (*procédure de conciliation*) with its creditors or any judgment is issued for its judicial liquidation (*liquidation judiciaire*) or the Issuer transfers the whole of its business (*cession totale de l'entreprise*) or is subject to any insolvency or bankruptcy proceedings or makes a conveyance or assignment for the benefit of, or enters into a composition with, its creditors;
- (v) in the event that the Issuer sells, transfers, lends or otherwise disposes of, directly or indirectly, the whole or a substantial part of its undertaking or assets, or the Issuer enters into, or commences any proceedings in furtherance of, forced or voluntary liquidation or dissolution, except (A) in the case of a disposal of all or substantially all of the Issuer's assets, in favour of a French legal entity which simultaneously assumes all or substantially all of the Issuer's liabilities including the Notes, or (B) in connection with a merger or reorganisation, when the Issuer has received, at least 30 days prior to the effective date of such merger or reorganisation, certificates issued by Moody's Investors Service and Standard & Poor's Ratings Group (a division of The McGraw Hill Companies), stating that all Tranches of the Notes will maintain a rating by such agencies immediately following such merger or reorganisation at least as favorable as the rating maintained for such Tranches of Notes by such rating agencies immediately prior to such merger or reorganisation, or (C) in the case of a sale, transfer or disposal, and whether by one or several instalments, by the Issuer of a substantial part of its eligible loan assets (as defined below) to Dexia Municipal Agency ("DMA") in connection with the issue by DMA of *obligations foncières* in accordance with the provisions of Section IV, Chapter V, Title V of the *Code monétaire et financier*, and provided that:
 1. at the time of the sale, transfer or disposal of each instalment of such eligible loan assets to DMA, the Issuer receives, in respect of each instalment, cash or cash equivalent with an aggregate market value at least equivalent to the value of the eligible loan assets transferred by such instalment to DMA;
 2. so long as any of the Notes, Receipts or Coupons remains outstanding (as defined in the Agency Agreement), the Issuer continues to hold directly at least 70 per cent. of the share capital and voting rights of DMA; and
 3. the Issuer has kept Moody's Investors Service and Standard & Poor's Ratings Group (a division of The McGraw Hill Companies) informed of such sale, transfer or

disposal, provided always that no such sale, transfer or disposal shall be permitted if it (or any combination of sales, transfers and/or disposals) would directly result in either of such rating agencies reducing its respective rating of the Notes to the sub-investment grade category (which, for the avoidance of doubt as at the date hereof, is below BBB- and Baa3, respectively).

For the purpose of this Condition 10(a)(v)(C), “eligible loan assets” means any assets referred to in Articles L 515-15 to L 515-17 of the *Code monétaire et financier*; and

(b) In the case of Subordinated Notes:

in the event that (i) any judgment is rendered for the judicial liquidation (*liquidation judiciaire*) of the Issuer or (ii) the Issuer is liquidated for any other reason.

Any such notice by a Noteholder to the Fiscal Agent shall specify the serial number(s) of the Note(s) concerned.

11 Meetings of Noteholders

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters affecting their interests, including the modification of any of these Conditions insofar as they may apply to the Notes. Any such modifications may be made if sanctioned by an Extraordinary Resolution (as defined in the Agency Agreement) of Noteholders (save where these Conditions provide that they may be modified otherwise than by Extraordinary Resolution), provided that no amendment to the status of Subordinated Notes may be approved until the consent of the *Secrétariat Général* of the *Autorité de Contrôle Prudentiel* has been obtained in relation to such amendment.

Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of Notes held or represented, unless the business of such meeting includes the consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of any of the Notes, any Instalment Date or any date for payment of interest thereon, (ii) to reduce or cancel the nominal amount or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or amount of interest thereon, (iv) if a Minimum Rate of Interest and/or a Maximum Rate of Interest applies to any Notes, to reduce such Minimum Rate of Interest and/or such Maximum Rate of Interest, (v) to change the method or basis for calculating the Redemption Amount or, in the case of Zero Coupon Notes, changes to the method of calculating any Amortised Face Amount or Zero Coupon Early Redemption Amount, as the case may be, (vi) to change the currency or currencies of payment or denomination of the Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing not less than three-quarters, or at any adjourned meeting any proportion in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

A Written Resolution shall take effect as if it were an Extraordinary Resolution. The provisions set out in these Terms and Conditions relating to the powers of meetings and notification of Extraordinary Resolutions shall apply *mutatis mutandis* to Written Resolutions.

“**Written Resolution**” means a resolution in writing signed by or on behalf of all holders of Notes who for the time being are entitled to receive notice of a Meeting in accordance with the provisions for Meetings of Noteholders set out in the Agency Agreement, whether such resolution is contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes. The date of such Written Resolution shall be the date on which the latest such document is signed.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

(b) Modification of the Agency Agreement

The Agency Agreement will be capable of amendment or waiver by the parties thereto, without the consent of Noteholders or Couponholders, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the parties to the Agency Agreement mutually deem necessary or desirable and which does not, in the reasonable opinion of such parties, adversely affect the interests of the Noteholders or Couponholders.

12 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of such Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 14 (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates), in each case on payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13 Further Issues and Consolidation

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes in all respects or in all respects except for the first payment of interest on them so that the same shall be consolidated and form a single series with such Notes. For the purposes of French law, such further notes shall be consolidated (*assimilables*) to the Notes as regards their financial service. References in these Conditions to “Notes” shall be construed accordingly.

The Issuer may from time to time on any Specified Interest Payment Date occurring on or after the Redenomination Date on giving not less than 30 days’ prior notice to the Noteholders in accordance with Condition 14, without the consent of the Noteholders or the Couponholders, consolidate the Notes with one or more issues of other notes issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such other notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

14 Notices

Notices to holders of Registered Notes will be valid (i) if sent by mail to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing and (ii) if published, so long as the relevant Notes are listed on the official list of the Luxembourg Stock Exchange and are admitted to trading on the Regulated Market and the rules of the Luxembourg Stock Exchange so require, in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (“www.bourse.lu”).

Notices to the holders of Bearer Notes will be valid if (i) published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*) and (ii) so long as the relevant Notes are listed on the official list of the Luxembourg Stock Exchange and are admitted to trading on the Regulated Market and the rules of the Luxembourg Stock Exchange so require, in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (“www.bourse.lu”) or, if such publication is not practicable, notice will be validly given if published in another leading daily English language newspaper with general circulation in Europe and, so long as such Notes are listed or admitted to trading on any stock exchange and the rules of such stock exchange so require, in a leading daily newspaper with general circulation in the city/ies where such stock exchange(s) is/are situated.

Notices will, if published more than once, be deemed to have been given on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

15 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

16 Governing Law and Jurisdiction

(a) *Governing Law*

The Notes, the Receipts, the Coupons, the Talons and the Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law, except that the provisions of Condition 3(b) are governed by, and shall be construed in accordance with, French law.

(b) *Jurisdiction*

The High Court of Justice in England is to have jurisdiction to settle any disputes which may arise out of or in connection with any Notes, Receipts, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons (“Proceedings”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such court and waives any objection to Proceedings in such court on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Additional Jurisdiction

If so specified in the relevant Final Terms, the federal and state courts in the Borough of Manhattan in the City of New York are to have additional jurisdiction to settle such disputes and accordingly any Proceedings may be brought in such courts, in which case nothing in this Condition shall affect the right of any holder of Notes to bring suit in any court that may have jurisdiction of the Issuer by virtue of the offer or sale of its Notes or otherwise.

Where the relevant Final Terms specify that the Federal and state courts in the Borough of Manhattan in the City of New York are to have jurisdiction, service of process in any such proceedings may be made on the Issuer at its New York City Branch presently at 445 Park Avenue, New York, NY 10022. Such service shall be deemed completed on delivery to such address (whether or not it is forwarded to and received by the Issuer). If for any reason the Issuer no longer has a branch in New York City, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 14. Nothing shall affect the right to serve process in any other manner permitted by law.

(d) Service of Process in England

The Issuer appoints Dexia Management Services Limited as its agent for service of process. presently at Shackleton House, Hay's Galleria, 4 Battle Bridge Lane, London SE1 2RB. Such service shall be deemed completed on delivery to such address (whether or not it is forwarded to and received by the Issuer). If for any reason the Issuer no longer has a branch in England registered under Part XXIII of the Companies Act 1985, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 14. Nothing shall affect the right to serve process in any other manner permitted by law.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

Global Notes which are issued in CGN form and Global Certificates which are not held under the NSS may be delivered on or prior to the original issue date of the Tranche to a Common Depository for Euroclear and Clearstream, Luxembourg (the "Common Depository"). If the Global Note is a CGN, upon the initial deposit of a Global Note with the Common Depository or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and the delivery of the relative Global Certificate to the Common Depository, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

If the Global Notes are stated in the applicable Final Terms to be issued in NGN form or the Global Certificates are held under NSS (as the case may be), the Global Notes or the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes or the Global Certificates with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

If the Global Note is an NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Upon the initial deposit of a Global Note with, or registration of Registered Notes in the name of, or of any nominee for, and delivery of the relevant Global Certificate to, Euroclear France (including where Euroclear France is acting as central depository), the "*intermédiaires financiers habilités*" (French banks or brokers authorised to maintain securities accounts on behalf of their clients (each an "Approved Intermediary")) who are entitled to such Notes according to the records of Euroclear France will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Upon the initial deposit of a Global Certificate in respect of and registration of Registered Notes in the name of a nominee for DTC and delivery of the relevant Global Certificate to the custodian for DTC (the "Custodian"), DTC will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depository may (if indicated in the relevant Final Terms) also be credited to the accounts of subscribers with Approved Intermediaries or (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by Euroclear France or such other clearing systems. Conversely, Notes that are initially deposited with Euroclear France or any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems (or Approved Intermediaries).

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC, an Approved Intermediary or any other clearing system as the holder of a Note represented by a Global Note or a

Global Certificate must look solely to Euroclear, Clearstream, Luxembourg, DTC or such Approved Intermediary or clearing system (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, DTC, Euroclear France or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Exchange

1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (a) if the relevant Final Terms indicate that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “General Description of the Programme — Selling Restrictions”), in whole, but not in part, for the Definitive Notes defined and described below;
- (b) in the case of Extendible Notes, in whole or in part as provided for in “Extendible Notes” below; and
- (c) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes.

Each temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Conditions in addition to any permanent Global Note or Definitive Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “Partial Exchange of Permanent Global Notes and Global Certificates”, in part for Definitive Notes or, in the case of (a) below, Registered Notes:

- (a) if the permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Fiscal Agent of its election to exchange the whole or a part of such Global Note for Registered Notes;
- (b) in the case of Notes issued in one Specified Denomination only, if the relevant Final Terms provide that such Global Note is exchangeable at the request of the holder, by the holder giving notice to the Fiscal Agent of its election to effect such exchange; and
- (c) otherwise, (1) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an “Alternative Clearing System”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so or (2) if principal in respect of any Notes is not paid when due by the holder giving notice to the Fiscal Agent of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a nominal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a nominal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

3 Unrestricted Global Certificates

Each Unrestricted Global Certificate will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “Partial Exchange of Permanent Global Notes and Certificates”, in part, for Individual Certificates:

- (a) if the Notes represented by the Global Certificate are held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (b) if principal in respect of any Notes is not paid when due; or
- (c) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to (a) or (b) above, the Registered Holder has given the Registrar not less than 30 days’ notice at its specified office of the Registered Holder’s intention to effect such transfer; or

in the case of Extendible Notes, in whole or in part, for a new Global Certificate and, if applicable, a replacement Global Certificate as provided under “Extendible Notes” below.

4 Restricted Global Certificates

Each Restricted Global Certificate will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “Partial Exchange of Permanent Global Notes and Global Certificates”, in part, for Individual Certificates:

- (a) if the Notes represented by the Global Certificate are held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System (except for DTC) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (b) if the Notes represented by the Global Certificate are held on behalf of a Custodian for DTC and if DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to the relevant Restricted Global Certificate or DTC ceases to be a “clearing agency” registered under the U.S. Securities Exchange Act of 1934 (the “Exchange Act”) or is at any time no longer eligible to act as such, and the Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or
- (c) if principal in respect of any Notes is not paid when due; or
- (d) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to (a) or (b) above, the Registered Holder has given the Registrar not less than 30 days’ notice at its specified office of the Registered Holder’s intention to effect such transfer. Individual Certificates issued in exchange for a beneficial interest in the Restricted Global Certificate shall bear the legend applicable to such Notes as set out under “Transfer Restrictions”; or

in the case of Extendible Notes, in whole or in part, for a new Global Certificate and, if applicable, a replacement Global Certificate as provided under “Extendible Notes” below.

5 Partial Exchange of Permanent Global Notes and Global Certificates

For so long as a permanent Global Note or Global Certificate is held by or on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note or Global Certificate will be exchangeable in part on one or more occasions (1) in the case of a permanent Global Note, (i) for Individual Certificates if the permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes or (ii) in the case of Extendible Notes, for another permanent Global Note as provided in “Extendible Notes” below, or (2) for Definitive Notes or Individual Certificates, as the case may be, (i) if principal in respect of any Notes is not paid when due or (ii) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Final Terms) relating to Partly Paid Notes.

6 Extendible Notes

In the case of Extendible Notes, interests in the temporary Global Note must be exchanged for interests in the Original Permanent Global Note (as defined below) before the Non-Extension Option can be exercised.

If Noteholders exercise their Non-Extension Option then (in the case of Bearer Notes) the permanent Global Note representing the Notes on issue (the “Original Permanent Global Note”) or (in the case of Registered Notes) the Global Certificate issued in respect of the Notes on issue (the “Original Global Certificate”) shall to that extent be exchanged for a new permanent Global Note or global certificate representing such Notes and all other Notes having the same Maturity Date as such Notes as provided below.

On the Automatic Extension Date, all Notes in respect of which a duly completed Non-Extension Option Notice has been received by the Fiscal Agent or, as the case may be, the Registrar will not have their Maturity Date extended. Such Notes will be allocated a new ISIN and common code corresponding to their Maturity Date, and (i) (in the case of Bearer Notes) the Fiscal Agent shall (x) authenticate and issue on behalf of the Issuer a new permanent Global Note in respect of such Notes to the holder of the Original Permanent Global Note, recording thereon the Maturity Date, the new ISIN and common code applicable thereto and the aggregate nominal amount thereof and (y) record the remaining outstanding nominal amount of Notes in respect of which the Non-Extension Option has not been exercised on the relevant schedules to the Original Permanent Global Note, and (ii) (in the case of Registered Notes), the Registrar shall (x) authenticate and issue on behalf of the Issuer a new Global Certificate in respect of such Notes recording the new Maturity Date, the new ISIN and common code applicable thereto and the aggregate nominal amount thereof and (y) authenticate and issue a replacement Global Certificate in respect of the remaining Notes recording thereon the same ISIN and common code applicable to the Original Global Certificate and, in each case, shall deliver such new and replacement Global Certificates to the holder of the Original Global Certificate and shall make the appropriate entries relating thereto in the Register relating to the Notes.

7 Delivery of Notes

If the Global Note is a CGN, on or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be. If the Global Note is a NGN, the Fiscal Agent

will procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system.

In this Base Prospectus, “Definitive Notes” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed, and Certificates will be printed, in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

8 Exchange Date

“Exchange Date” means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

9 Legend

Each temporary Global Note, permanent Global Note and any Bearer Note, Talon, Coupon or Receipt issued in compliance with the D Rules under TEFRA will bear the following legend:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.

The sections of the U.S. Internal Revenue Code referred to in the legend provide that a United States taxpayer, with certain exceptions, will not be permitted to deduct any loss, and will not be eligible for capital gains treatment with respect to any gain realised on any sale, exchange or redemption of Bearer Notes or any related Coupons.

Each Restricted Global Certificate and each Individual Certificate issued in exchange for a beneficial interest in a Restricted Global Certificate will bear a legend applicable to purchasers who purchase the Registered Notes pursuant to Rule 144A as described under “Transfer Restrictions”.

Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Base Prospectus. The following is a summary of certain of those provisions:

1 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of CGNs represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. In the case of payments made in respect of Notes not being issued outside the Republic of France, proof of non-residency (if any) shall be supplied to the Fiscal Agent by Euroclear, Clearstream, Luxembourg or any Alternative Clearing System in accordance with the rules of such clearing system. Condition 8(b)(iv) will apply to the Definitive Notes only. If the Global Note is a NGN or if the Global Certificate is held under the NSS, the Fiscal Agent or Registrar (as applicable) shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and, in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under the NGN will be made to its holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note or Global Certificate, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 7(g) (*Business Days for Payments*).

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January.

2 Prescription

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate due date.

3 Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each minimum Specified Denomination of Notes (or its equivalent in any other currency as at the date of issue of those Notes) for which such Global Note may be exchanged. All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's holding, whether or not represented by a Global Certificate.

4 Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant Global Note.

5 Purchase

Notes represented by a permanent Global Note may only be purchased by the Issuer in accordance with the Conditions relating to such Notes if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

6 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in, and containing the information required by, the Conditions, except that the notice shall not be required to contain the serial numbers of the Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system or Approved Intermediary in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg, Euroclear France (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) or any other clearing system (as the case may be).

7 Noteholder's Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time where the permanent Global Note is a CGN presenting the permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation. Where the Global Note is a NGN or where a Global Certificate is held under the NSS, the Fiscal Agent or Registrar (as applicable) shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly. To exercise the Non-Extension Option in relation to any Automatic Extension Date in respect of any Notes held by a Noteholder while such Notes are represented by the Original Permanent Global Note or, as the case may be, the Original Global Certificate, the holder thereof must, during the relevant Exercise Period, (i) deliver to the relevant clearing system a duly completed Non-Extension Option Exercise Notice in respect of such Notes and (ii) arrange with the relevant Clearing System for such Notes to be "blocked" in the relevant participant's account with such clearing system until such Automatic Extension Date.

8 NGN nominal amount

Where the Global Note is a NGN or a Global Certificate is held under the NSS, the Fiscal Agent or Registrar (as applicable) shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Notes represented by such Global Note or Global Certificate (as applicable) shall be adjusted accordingly.

9 Events of Default

Each Global Note and Global Certificate provides that the holder may cause such Global Note, or a portion of it, or Registered Notes represented by such Global Certificate, as the case may be, to become due and repayable in the circumstances described in Condition 10 by stating in the notice to the Fiscal Agent the nominal amount of such Global Note or Registered Notes represented by such Global Certificate that is becoming due and repayable. Following the giving of a notice of an Event of Default by or through the relevant clearing system(s) or depositary, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Issuer under the terms of an amended and restated Deed of Covenant executed as a deed by the Issuer on 7 January 2011 to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

10 Notices

So long as any Notes are represented by a Global Note or Global Certificate and such Global Note or Global Certificate is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate except that, so long as the relevant Notes are listed on the official list of the Luxembourg Stock Exchange and are admitted to trading on the Regulated Market and the rules of the Luxembourg Stock Exchange so require, notices shall also be published in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) and/or on the website of the Luxembourg Stock Exchange ("www.bourse.lu") and, so long as such Notes are listed or admitted to trading on any stock exchange and the rules of such stock exchange so require, in a leading daily newspaper with general circulation in the city/ies where such stock exchange(s) is/are situated.

11 Redenomination and Consolidation

A Global Note or Global Certificate may be amended or replaced by the Issuer (in such manner as it considers necessary, after consultation with the Redenomination Agent and the Consolidation Agent, as the case may be) for the purposes of taking account of the redenomination and/or consolidation of the Notes in accordance with Conditions 1(c) and 13. Any consolidation may require a change in the relevant common depositary or central depositary, as the case may be.

12 Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Base Prospectus, but will be contained in the relevant Final Terms and thereby in the Global Notes. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a permanent Global Note or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

USE OF PROCEEDS

The net proceeds of the issue of the Notes under the Programme will be used to finance the normal lending activities of the Issuer. In relation to Subordinated Notes, the use of proceeds will be as set out in the relevant Final Terms.

CLEARING AND SETTLEMENT

Book-Entry Ownership

Bearer Notes

The Issuer may make applications to Clearstream, Luxembourg and Euroclear for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. In respect of Bearer Notes, a temporary Global Note and/or a permanent Global Note in bearer form without coupons may be deposited with a common depository or a Common Service Provider for Clearstream, Luxembourg and Euroclear or with Euroclear France acting as central depository (see also "Summary of Provisions Relating to the Notes while in Global Form"). Transfers of interests in such temporary Global Notes or other Global Notes will be made in accordance with the normal Euromarket debt securities operating procedures of Clearstream, Luxembourg and Euroclear and, if appropriate, Euroclear France.

Registered Notes

The Issuer may make applications to Clearstream, Luxembourg and Euroclear for acceptance in their respective book-entry systems in respect of the Notes to be represented by an Unrestricted Global Certificate or a Restricted Global Certificate. Each Unrestricted Global Certificate or Restricted Global Certificate deposited with a nominee for Clearstream, Luxembourg and/or Euroclear will have an ISIN and a Common Code.

The Issuer and a relevant U.S. agent appointed for such purpose that is an eligible DTC participant may make application to DTC for acceptance in its book-entry settlement system of the Registered Notes represented by a Restricted Global Certificate. Each Restricted Global Certificate will have a CUSIP number. Each Restricted Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Certificate, as set out under "Transfer Restrictions". In certain circumstances, as described below in "Transfers of Registered Notes", transfers of interests in a Restricted Global Certificate may be made, as a result of which such legend may no longer be required.

In the case of a Tranche of Registered Notes to be cleared through the facilities of DTC, the Custodian, with whom the Registered Global Certificates are deposited, and DTC will electronically record the nominal amount of the Restricted Notes held within the DTC system. Investors in Notes of such Tranche may hold their interests in an Unrestricted Global Certificate only through Clearstream, Luxembourg or Euroclear. Investors may hold their interests in a Restricted Global Certificate directly through DTC if they are participants in the DTC system, or indirectly through organisations which are participants in such system.

Payments of the principal of, and interest on, each Restricted Global Certificate registered in the name of DTC's nominee will be to or to the order of its nominee as the registered owner of such Restricted Global Certificate. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount of the relevant Restricted Global Certificate as shown on the records of DTC or the nominee. The Issuer also expects that payments by DTC participants to owners of beneficial interests in such Restricted Global Certificate held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants.

None of the Issuer, any Paying Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Restricted Global Certificates or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Notes will initially be in the form of an Unrestricted Global Certificate and/or a Restricted Global Certificate. Definitive Registered Notes in the form of Individual Certificates will only be available, in the case of Notes initially represented by an Unrestricted Global Certificate, in amounts specified in the applicable Final Terms, and, in the case of Notes initially represented by a Restricted Global Certificate, in amounts of U.S.\$100,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Dealer(s)), or higher integral multiples of U.S.\$1,000, in certain limited circumstances described below.

Transfers of Registered Notes

Transfers of interests in Global Certificates within DTC, Clearstream, Luxembourg and Euroclear will be in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer interests in a Restricted Global Certificate to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Restricted Global Certificate to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

In the case of Registered Notes to be cleared through Euroclear, Clearstream, Luxembourg and/or DTC, transfers may be made at any time by a holder of an interest in an Unrestricted Global Certificate to a transferee who wishes to take delivery of such interest through the Restricted Global Certificate for the same Series of Notes provided that any such transfer made on or prior to the expiration of the Distribution Compliance Period (as defined in "Plan of Distribution") relating to the Notes represented by such Unrestricted Global Certificate will only be made upon receipt by the Registrar or any Transfer Agent of a written certificate from Euroclear or Clearstream, Luxembourg, as the case may be, (based on a written certificate from the transferor of such interest) to the effect that such transfer is being made to a person whom the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities law of any state of the United States or any other jurisdiction. Any such transfer made thereafter of an interest in the Notes represented by such Unrestricted Global Certificate will only be made upon request, through Clearstream, Luxembourg or Euroclear, by the holder of an interest in the Unrestricted Global Certificate to the Fiscal Agent and receipt by the Fiscal Agent of details of that account at either Euroclear or Clearstream, Luxembourg or DTC to be credited with the relevant interest in the Restricted Global Certificate. Transfers at any time by a holder of any interest in the Restricted Global Certificate to a transferee who takes delivery of such interest through an Unrestricted Global Certificate will only be made upon delivery to the Registrar or any Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the accounts at Euroclear or Clearstream, Luxembourg, as the case may be, and/or DTC to be credited and debited, respectively, with an interest in the relevant Global Certificates.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described above and under "Transfer Restrictions", cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Custodian, the Registrar and the Fiscal Agent.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer.

Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg and Euroclear, on the other, transfers of interests in the relevant Registered Global Certificates will be effected through the Fiscal Agent, the Custodian and the Registrar receiving instructions (and where appropriate certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Registered Global Certificate resulting in such transfer and (ii) two business days after receipt by the Fiscal Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Notes, see “Transfer Restrictions”.

DTC has advised the Issuer that it will take any action permitted to be taken by a holder of Registered Notes (including, without limitation, the presentation of Restricted Global Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Restricted Global Certificates are credited and only in respect of such portion of the aggregate nominal amount of the relevant Restricted Global Certificates as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Restricted Global Certificates for exchange for Individual Certificates (which will, in the case of Restricted Notes, bear the legend applicable to transfers pursuant to Rule 144A).

DTC has advised the Issuer as follows: DTC is a limited purpose trust company organised under the laws of the State of New York, a “banking organisation” under the laws of the State of New York, a member of the U.S. Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic computerised book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to DTC is available to others, such as banks, securities brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a DTC direct participant, either directly or indirectly.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Registered Global Certificates among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, any Paying Agent or any Transfer Agent will have any responsibility for the performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Restricted Global Certificate is lodged with DTC or the Custodian, Restricted Notes represented by Individual Certificates will not be eligible for clearing or settlement through DTC, Clearstream, Luxembourg or Euroclear.

Pre-issue Trades Settlement

It is expected that delivery of Notes will be made against payment therefor on the relevant Issue Date, which could be more than three business days following the date of pricing. Under Rule 15c6-1 of the U.S. Securities and Exchange Commission under the Exchange Act, trades in the United States

secondary market are generally required to settle within three business days (T+3), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes in the United States on the date of pricing or the next succeeding business days until the relevant Issue Date will be required, by virtue of the fact the Notes initially will settle beyond T+3, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices and purchasers of Notes who wish to trade Notes between the date of pricing and the relevant Issue Date should consult their own adviser.

DEXIA CRÉDIT LOCAL

Introduction

Dexia Crédit Local is a French corporation (*société anonyme*) administered by a Board of Directors, as governed by Articles L. 225-17 and *seq.* of the French Commercial Code and Article L. 511-1 of the French Monetary and Financial Code. Dexia Crédit Local's registered office and chief place of business is: Tour Dexia, La Défense 2, 1, Passerelle des Reflets, 92913 La Défense Cedex, France. The telephone number at Dexia Crédit Local's registered office is (+33) 1 58 58 77 77.

One of its main activities is to provide funding for capital expenditure to government and public sector entities.

Dexia Crédit Local is a banking institution (*établissement de crédit*) established under the French Banking Law, being an entity authorised to carry out banking operations, subject to all the provisions of the French Banking Law.

Dexia Crédit Local is registered with the Clerk of the Commercial Court of Nanterre under 351 804 042 (*Registre du Commerce et des Sociétés*).

History

Dexia Crédit Local was incorporated in Paris on 28 August 1989 for a term of 99 years.

Crédit Local de France ("**CLF**") was formed by the French State in 1987 upon the transfer to it of the *Caisse d'aide à l'équipement des collectivités locales* and was privatised by the French State in 1991 and in 1993. In 1996, CLF and Crédit Communal de Belgique pooled their activities and formed a single group called Dexia. As part of this restructuring, CLF contributed all of its assets and liabilities to an inactive entity, Local Finance which was renamed Dexia Crédit Local de France. This entity was subsequently renamed Dexia Crédit Local.

Business Overview

The purposes for which Dexia Crédit Local is established are:

- to conduct in France and abroad any and all credit operations promoting local development and, in particular, public amenities, mainly for the benefit of local authorities and public corporations, local authority-backed agencies, local semi-public companies, concessionary public service companies and, more generally, agencies carrying out development or housing schemes, or which have entered into an agreement with a local authority for the construction or management of local amenities;
- to carry out, for the benefit of the above parties, insurance brokerage activities and any advisory and assistance work in matters of financial management, financial engineering and, more generally, to offer any and all services to facilitate their financial management subject to the legislative provisions relating to the exercise of certain regulated professions;
- to receive cash deposits from local authorities and local public entities in accordance with the regulations applicable to such bodies;
- to hold the funds lent to customers, pending their use; and
- to issue debt securities in France and abroad in order to fund the Issuer's lending operations.

For this purpose, Dexia Crédit Local may:

- create subsidiaries;
- hold interests in companies whose business is likely to contribute to the Issuer's business purpose; and
- establish and manage reserve funds securing loans granted to the agencies mentioned in the first paragraph.

The Issuer may also carry out any and all transactions falling within the scope of its business purpose on behalf of and on the instructions of agencies and institutions set up to serve the public interest.

Business review

Continuing on from 2009, the first half of 2010 featured the ongoing implementation at Dexia Crédit Local of the Dexia Group's transformation plan. Following the sale of the Financial Security Assurance's credit enhancement business in 2009, restructuring efforts focused on reducing costs, improving the risk profile, in particular by deleveraging the balance sheet, and refocusing on core markets.

The highlight of the period was the European Commission's approval in February 2010 of the support plan put together by the Belgian, French and Luxembourg governments. With this move, the European Commission confirmed Dexia Group's long-term viability and approved its restructuring plan. For Dexia Crédit Local, this restructuring plan requires the disposal of its Italian and Slovakian subsidiaries by 31 October 2012 and that of its Spanish subsidiary by 31 December 2013. These disposals come in addition to the run-off management of numerous international entities initiated in 2009 as part of refocusing on countries where Dexia Group has a viable commercial position (mainly France, Belgium and Luxembourg), long-term refinancing capacity and a potential for profitable growth. In other countries, namely the United Kingdom, United States and Canada, Dexia Group will continue to operate but will focus on niche businesses that consume little equity and are compatible with its new strategy.

In line with the European Commission's decision, Dexia Group stepped up its divestment programme in recent months. After disposals totalling EUR 18 billion in 2009, EUR 17 billion of non-strategic assets were sold in the first half of 2010.

New lending and other long-term commitments granted by the Public and Wholesale Banking (PWB) business line remain deliberately limited. At 30 June 2010 these amounted to EUR 3.5 billion for Dexia Crédit Local compared with EUR 7 billion for the full year in 2009, and with EUR 44.3 billion for 2008. Despite the reduction in new lending, the commercial momentum in target countries was maintained. Towards the customers, special emphasis is now placed on financing solutions that free up the balance sheet and on the systematic identification of cross-selling opportunities.

At 30 June 2010, Dexia Crédit Local's portfolio of long-term commitments was down by 5.5% year on year to EUR 224.3 billion. Following the European Commission's decision, it was decided to split the bank's portfolio for analytical purposes between Core Market (EUR 184.7 billion at 30 June 2010) and Legacy Portfolio (EUR 39.6 billion at 30 June 2010), with the latter containing all the run-off activities.

Dexia Group's risk profile and liquidity situation have continued to improve thanks to a determined divestment policy, swift execution of the long-term funding programme and the adjustment of Public and Wholesale Banking production to the group's long-term funding capacities. Dexia Crédit Local's debt issuance programme now stands at EUR 35.2 billion, or EUR 10 billion more than in the first half of 2009 and was achieved through issuance of state-guaranteed debt and covered bonds. Short-term financing needs have been reduced by more than EUR 100 billion since the end of 2008 and recourse to central bank funding has dropped substantially, from EUR 64 billion at the end of 2008 to EUR 28.5 billion at the

end of 2009 and EUR 21.7 billion at 30 June 2010. At 30 June 2010, Dexia Group was able to exit the state guarantee mechanism as agreed with the European Commission.

ORGANISATIONAL STRUCTURE

DEXIA Group

Dexia Crédit Local is part of the Dexia group of companies (the “**Dexia Group**”) and is 99.99% owned by Dexia SA, the holding company of the Dexia Group. Dexia was born out of the 1996 alliance of the two major European players in local public finance, Crédit Local de France and Crédit Communal de Belgique. Both institutions, together with Banque Internationale à Luxembourg (“**BIL**”) were united in 1999 into one publicly-quoted company named Dexia SA, thus forming one of the first cross-border mergers in the European banking sector.

The shareholding structure of Dexia SA as of 30 September 2010 (based on information known to Dexia SA), is as follows:

	Shareholding in Dexia as of 30 September 2010
Belgian Federal State	5.73%
Three Belgian Regions	5.72%
Holding Communal	14.48%
Arco Group.....	13.75%
Caisse des Dépôts et Consignations	17.61%
Ethias Group	5.04%
CNP Assurances.....	2.96%
French State	5.73%
Employee shareholding	1.50%
Other institutional and individual shareholders	27.45%

Three pillars: Retail & Commercial Banking, Public & Wholesale Banking and Asset Management & Services

Dexia Group focuses on Retail and Commercial Banking in Europe, mainly in Belgium, Luxembourg and Turkey, and on Public and Wholesale Banking (“**PWB**”), providing local public finance operators with comprehensive banking and financial solutions. Asset Management and Services provides asset management, investor and insurance services, notably to the clients of the two other business lines. The different business lines interact continuously in order to serve clients better and to support the Dexia Group’s commercial activity.

Dexia Crédit Local

Dexia Crédit Local is the Dexia Group subsidiary specialising in public and project finance and financial services for local governments. In France, Dexia Crédit Local has developed a long-term relationship

with local governments and provides a wide range of financial services for its clients who are acting for the development of facilities and local services.

Dexia Crédit Local Principal Subsidiaries

Subsidiaries in France

Name of subsidiary	Main activity
CBX.IA2	acquisition and administration of buildings
Dexia Bail	equipment lease financing
Dexia CLF Banque	banking services for the local public sector
Dexia CLF Regions Bail	real estate lease financing mainly for the local public sector
Dexia Editions	publication of specialised works on topics concerning the local public sector
Dexia Flobail	lease financing of local investments (notably energy conservation and environmental protection)
Dexia Habitat	Acquisition of holdings in public housing corporations
Dexia Location Longue Durée	long-term leasing and management of public sector vehicle fleets
Dexia Municipal Agency	Dexia Crédit Local's <i>société de crédit foncier</i>
Dexia Sofaxis	employer risks insurance brokerage and management advisory services for local authorities and hospitals

International subsidiaries

Name of subsidiary	Location
Dexia Kommunalbank Deutschland AG	Germany
Dexia Crédit Local Asia Pacific Pty Ltd	Australia
Dexia Kommunalkredit Bank AG	Austria
Dexia Sabadell	Spain
Dexia Delaware LLC	USA
Dexia CAD Funding LLC	USA
Dexia Israel Bank Ltd	Israel
Dexia Crediop	Italy
Dexia Credito Local Mexico, S.A. de C.V.	Mexico
Dexia Public Finance Switzerland	Switzerland
SISL	Luxembourg
Dexia Management Services Ltd (DMS)	UK

International indirect subsidiaries

Name of indirect subsidiary	Location
Dexia FP Holdings, Inc	USA
Dexia Kommunalkredit Hungary Kft	Hungary

Name of indirect subsidiary	Location
Dexia Kommunalkredit Bank Polska	Poland
Dexia Kommunalkredit Romania S.R.L.	Romania
Dexia banka Slovensko	Slovakia
Dexia Kommunalkredit Bulgaria EOOD	Bulgaria
Dexia Kommunalkredit Czech Republic a.s	Czech Republic
Dexia Kommunalkredit Adriatic d.o.o.	Croatia
Dexia Real Estate Capital Markets	USA

Dexia Crédit Local International branches

Name of branch	Location
Dexia Crédit Local Canada branch	Canada
Dexia Crédit Local New York branch	USA
Dexia Public Finance Bank	UK
Dexia Crédit Local Grand Cayman branch	Cayman Islands
Dexia Crédit Local Dublin branch	Ireland
Dexia Crédit Local Tokyo branch	Japan

Major Shareholders

As at the date of this Base Prospectus, Dexia Crédit Local's issued share capital amounts to EUR 500,513,102.75.

Dexia SA (formerly Dexia Belgium), the holding company, owns 99.98% of Dexia Crédit Local's share capital and private French and Belgian investors own the remaining 0.02%.

Administrative, Management and Supervisory Bodies

Dexia Crédit Local is governed by a Chief Executive Officer and a Board of Directors, in accordance with French law governing French *sociétés anonymes*.

Members of the Board of Directors	Principal Occupation/Other Directorships and Business Experience
Chairman Jean-Luc Dehaene Dexia SA – Place Rogier 11 B-1210 Bruxelles Belgium	<ul style="list-style-type: none"> • Member of the European Parliament • Chairman of the Board of Directors of Dexia SA • Vice-Chairman of the Board of Directors of Dexia Banque Belgium • Director of Dexia BIL • Director of InBev • Director of UMICORE • Director of Lotus Bakeries

Members of the Board of Directors	Principal Occupation/Other Directorships and Business Experience
Chief Executive Officer and Member	<ul style="list-style-type: none"> • Director of Trombogenics • Director of Novovil
<p>Alain Clot Dexia SA – Place Rogier 11 B-1210 Bruxelles Belgium</p>	<ul style="list-style-type: none"> • Member of the Management Board of Dexia • Permanent Representative of Dexia Crédit Local, member of the Supervisory Board of Dexia Municipal Agency • Permanent Representative of Dexia Crédit Local, Director of Dexia CLF Banque • Permanent Representative of Dexia Crédit Local, member of SOFCA-GIE • Director of Dexia Holdings Inc • Director of Dexia FP Holdings Inc • Director of Dexia Financial Products Services LLC • Director of FSA Asset Management LLC • Director of FSA Capital Markets Services LLC • Director of FSA Capital Management Services LLC
<p>Member Pierre Mariani Dexia SA – Place Rogier 11 B-1210 Bruxelles Belgium</p>	<ul style="list-style-type: none"> • Chairman of the Management Board and Chief Executive Officer of Dexia SA • Director of Dexia Bank Belgium • Director of Dexia BIL • Director and chairman of the audit committee of EDF
<p>Member Fédération Nationale des Travaux Publics represented by Patrick Bernasconi 9 rue de Berri 75008 Paris France</p>	<ul style="list-style-type: none"> • Chairman of the Fédération Nationale des Travaux Publics • Chairman of Bernasconi T.P. • Chairman of Science et Industrie • Chairman of the Board of Directors and Chief Executive Officer of L’Immobilière des Travaux Publics • Director of SMAVIE BTP • Permanent Representative of Fédération Nationale des Travaux Publics, member of the Supervisory Board of BTP Banque • Permanent Representative of Fédération Nationale des Travaux Publics, Vice-Chairman of SMA BTP • Co-legal manager of SCI Bernasconi Frères • Partner and legal manager of Casa Déco • Director of Château des Deux Rives

Members of the Board of Directors**Principal Occupation/Other Directorships and Business Experience****Member**

Fédération Française du Bâtiment represented by
Didier Ridoret
33 avenue Kléber
75016 Paris
France

- Chairman of the Fédération Française du Bâtiment
- Co-legal manager of Elibois SARL
- Co-legal manager of France Menuisiers SARL
- Co-legal manager of Menuiseries Niortaises SARL
- Chief Executive Officer of Ridoret Menuiserie SA
- Co-legal manager of Roche Alu SARL
- Co-legal manager of Roche France SARL
- Co-legal manager of Roche PVC SARL
- Chief Executive Officer of SAG SAS
- Co-legal manager of Pont de la Reine SCI
- Vice-Chairman of the Supervisory Board of BTP Banque SA
- Permanent Representative of Fédération Française du Bâtiment, Director, member of the management committee of Union des caisses de France du réseau Congés intempérie du BTP
- Permanent Representative of Fédération Française du Bâtiment, non-voting board member of ECOFI Investissements SA
- Permanent Representative of Fédération Française du Bâtiment, Vice-Chairman of SMA BTP
- Permanent Representative of Fédération Française du Bâtiment, Vice-Chairman of SMAVIE BTP
- Legal manager of Difrahel
- Non-voting board member of SICAV BTP Obligations
- Non-voting board member of SICAV BTP Associations
- Non-voting board member of SICAV BTP Rendements

Member

Jean-Pierre Brunel
226 rue Georges Besse
30000 Nîmes
France

- Director of Services Conseil Expertises Territoires
- Chairman of the Board of Directors of SA d'HLM Le Nouveau Logis-Centre Limousin

Member

Philippe Duron
Esplanade Jean-Marie
Louvel
14027 Caen Cedex 09
France

- Member of Parliament for Calvados
- Mayor of Caen

Member

Jean-Pol Henry

Honorary Vice Chairman of the House of Representatives

Members of the Board of Directors

Principal Occupation/Other Directorships and Business Experience

Rue de la Madeleine 118
6041 Gosselies
Belgium

Member

Philippe Rucheton
Dexia SA – Place Rogier 11
B-1210 Bruxelles
Belgium

- Member of the Management Board of Dexia SA
- Chairman of the Supervisory Board of Dexia Municipal Agency
- Director of Dexia Asset Management Luxembourg
- Director of Denizbank AS
- Director of Dexia Holdings Inc
- Director of Dexia FP Holdings Inc
- Director of Dexia Financial Products Services LLC
- Director of FSA Asset Management LLC
- Director of FSA Capital Markets Services LLC
- Director of FSA Capital Management Services LLC
- Director of Dexia Insurance Belgium SA

Member

Francine Swiggers
Group Arco
6 avenue Livingstone
1000 Bruxelles
Belgium

- Chairman of the Management Board of Arco Group
- Director of Dexia SA
- Director of Dexia Bank Belgium
- Director and Chairman of the Management Board of Arcofin CVBA
- Director and Chairman of the Management Board of Arcopar CVBA
- Chairman of the Board of Directors and chairman of the Management Board of Arcoplus CVBA
- Chairman of the Board of Directors and chairman of the Management Board of Arcosyn BV
- Director of Auxipar NV
- Chairman of the Board of Directors of Interfinance CVBA
- Director of Sofato
- Chairman of the Board of Directors of Procura
- Director of VDK - Caisse d'Épargne
- Member of the Board of Directors of De Warande
- Member of the Board of Directors of Hogeschool Universiteit Brussel

Members of the Board of Directors	Principal Occupation/Other Directorships and Business Experience
<p>Member René Thissen Rue de Bouhémont 23, 4950 Waimes Belgium</p>	<ul style="list-style-type: none"> • Director of Centre Hospitalier Chrétien • Director of Unio Bruxelles ASBL • Chairman of the Board of Directors of Société Wallonne des Eaux • Chairman of the Board of Directors of SAGIMA SA
<p>Member Julien Brami Caisse des Dépôts 56, rue de Lille 75007 Paris</p>	<ul style="list-style-type: none"> • Member of the Board of Directors of CDC Entreprises • Member of the Board of Directors of CDC Capital Investissement • Member of the Board of Directors of Fonds de Garantie des Assurances Obligations de Dommages (FGAO) • Director of Global Seguros • Director of Global Vida
<p>Member Edouard Philippe 27, rue de Caligny 76600 Le Havre</p>	<ul style="list-style-type: none"> • General Counsel of Le Havre
<p>Works Council representatives Pascal Cardineaud Valérie Hudé</p>	

Potential conflicts of interest among members of the Board of Directors

At the date of this Base Prospectus, the Issuer is not aware of any conflicts of interest material to the Notes between the duties of the members of the Board of Directors to Dexia Crédit Local and their private interests and/or their other duties.

Statutory Auditors

The principal and substitute Statutory Auditors (*Commissaires aux Comptes*) of Dexia Crédit Local for the financial years ended 31 December 2007 were:

MAZARS ET GUÉRARD
Exaltis - 61, rue Regnault - 92075 Courbevoie Cedex
represented by Guillaume Potel, Partner, and Anne Veaute, Partner
Substitute : Yves Robin

CADERAS MARTIN
76, rue de Monceau, 75008 Paris
represented by Daniel Butelot, Partner, and Olivier Avril, Partner
Substitute : Benoît Desauw

Caderas Martin and Mazars & Guérard are regulated by the *Haut Conseil du Commissariat aux Comptes*, are duly authorised as *Commissaires aux comptes* and are members of the *Compagnie Nationale des Commissaires aux Comptes*.

Since 16 May 2008, the Ordinary Shareholders' Meeting of the Issuer has taken note of the resignation, at the end of the meeting, of Caderas Martin as Statutory Auditor and of Benoît Desauw and Yves Robin as substitute Statutory Auditors and has decided to appoint for the rest of their term, i.e. until the end of the Ordinary Shareholders' Meeting of the Issuer called to approve the financial statements for the year ending 31 December 2013:

MAZARS

Exaltis – 61, rue Henri Regnault - 92075 La Défense Cedex
represented by Hervé Helias, Partner and Virginie Chauvin, Partner
Substitute : Charles De Boisriou, Partner

DELOITTE & ASSOCIES

185, avenue Charles de Gaulle - 92524 Neuilly-sur-Seine
represented by Jose-Luis Garcia, Partner
Substitute : BEAS represented by Mireille Berthelot, Partner

Mazars and Deloitte & Associés are regulated by the *Haut Conseil du Commissariat aux Comptes*, are duly authorized as *Commissaires aux comptes* and are members of the *Compagnie Nationale des Commissaires aux Comptes*.

ISSUER FINANCIAL STATEMENTS

Summary Consolidated Audited Financial Statements of Dexia Crédit Local for the years ended 31 December 2007, 2008 and 2009

The consolidated balance sheet, the consolidated income statement, the accounting policies and explanatory notes for the financial years ended 31 December 2009 and 2008 are included in the documents incorporated by reference in this Prospectus.

Consolidated balance sheet

Assets

	Note	At 31 December		
		2007	2008	2009
<i>(EUR millions)</i>				
I. Cash, central banks and postal checking accounts	2.0	1,553	632	901
II. Financial assets at fair value through profit or loss	2.1	24,098	25,418	13,472
III. Hedging derivatives	4.1	10,367	8,119	8,820
IV. Financial assets available for sale.....	2.2	130,761	60,674	47,617
V. Interbank loans and advances.....	2.3	20,832	35,892	26,796
VI. Customer loans and advances	2.4	146,568	248,916	239,198
VII. Fair value revaluation of portfolio hedge		(364)	2,084	1,788
VIII. Financial assets held to maturity	2.5	1,272	1,131	973
IX. Current tax assets.....	2.6	142	37	78
X. Deferred tax assets	2.6	436	2,613	1,968
XI. Accruals and other assets	2.7	7,343	21,457	17,888
XII. Non current assets held for sale.....		0	6,225	0
XIII. Investments in associates.....	2.8	459	275	0
XIV. Investment property	2.9	0	0	0
XV. Tangible fixed assets	2.9	499	504	500
XVI. Intangible assets	2.10	71	77	66
XVII. Goodwill	2.11	1,387	206	200
Total Assets.....		345,424	414,260	360,265

Liabilities

	Note	At 31 December		
		2007	2008	2009
<i>(EUR millions)</i>				
I. Central banks and postal checking accounts	3.0	7,630	64,222	28,491
II. Financial liabilities at fair value through profit or loss	3.1	12,290	24,641	15,615
III. Hedging derivatives	4.1	13,755	27,819	21,487
IV. Interbank borrowings and deposits	3.2	99,247	91,210	76,947
V. Customer borrowings and deposits	3.3	19,938	17,619	13,967
VI. Debt securities	3.4	176,010	172,853	190,896
VII. Fair value revaluation of portfolio hedge		(447)	1,386	1,884
VIII. Current tax liabilities	3.5	60	123	127
IX. Deferred tax liabilities	3.5	260	23	5
X. Accruals and other liabilities	3.6	5,216	5,372	4,462
XI. Liabilities included in disposal groups held for sale		0	5,697	0
XII. Technical provisions of insurance companies	3.7	134	0	0
XIII. Provisions	3.8	102	203	263
XIV. Subordinated debt	3.9	4,942	5,002	4,846
XV. Equity	3.10	6,287	(1,910)	1,275
XVI. Shareholders' equity, Group share		5,528	(2,107)	918
XVII. Capital stock and additional paid-in capital		3,114	6,614	2,062
XVIII. Reserves and retained earnings		2,889	3,456	4,453
XIX. Unrealised or deferred gains and losses		(1,454)	(8,621)	(5,866)
XX. Net income for the period		979	(3,556)	269
XXI. Minority interests		759	197	357
Total Liabilities		345,424	414,260	360,265

Consolidated income statement

	Note	For the year ended 31 December		
		2007	2008	2009
<i>(EUR millions)</i>				
I. Interest income ⁽³⁾	5.1	50,405	55,836	32,297
II. Interest expense	5.1	(49,108)	(54,067)	(30,999)
III. Fee and commission income	5.2	147	181	149
IV. Fee and commission expense	5.2	(49)	(63)	(41)
V. Net gains (losses) on financial instruments at fair value though profit or loss	5.3	(295)	(357)	337
VI. Net gains (losses) on financial assets available for sale ⁽³⁾	5.4	390	81	81
VII. Other income ⁽¹⁾	5.5	506	506	65
VIII. Other expenses ⁽¹⁾	5.6	(196)	(143)	(37)
IX. Net banking income		1,800	1,974	1,852
X. Operating expenses ⁽²⁾	5.7	(618)	(733)	(502)
XI. Depreciation, amortisation and impairment of tangible fixed assets and intangible assets	5.8	(52)	(56)	(52)
XII. Gross operating income		1,130	1,185	1,298
XIII. Cost of risk	5.9	(46)	(3,387)	(630)
XIV. Operating income		1,084	(2,202)	668
XV. Income (losses) from associates ⁽²⁾	5.10	58	(53)	(1)
XVI. Net gains (losses) on other assets	5.11	0	(1,036)	(102)
XVII. Impairment of goodwill	5.12	0	(1,181)	(6)
XVIII. Income before tax		1,142	(4,472)	559
XIX. Income tax	5.13	(108)	556	(239)
XX. Net income		1,034	(3,916)	320
XXI. Minority interests		55	(360)	51
XXII. Net income, Group share⁽²⁾		979	(3,556)	269
Earnings per share, Group share				
– Basic (in EUR)		11.25	(40.85)	3.09
– Diluted (in EUR)		11.25	(40.85)	3.09
		306	339	25

(1) Including technical margin of insurance companies

(2) According to IFRIC 11 “Group and Treasury Share transactions,” expenses relating to stock option plans were reclassified under Reserves and retained earnings as of 31 December 2007: this reclassification increased Operating expenses by EUR 9 million and decreased the Income (losses) from associates by EUR 3 million.

(3) As a consequence, the Net income, Group share was reduced by EUR 12 million for 2007.

(4) EUR 2 million was reclassified in 2007 to line VI. “Net gains (losses) on financial assets available for sale” from line I. “Interest income,” with no impact on earnings for the period.

Consolidated statement of changes in equity

	Core equity			Unrealised or deferred gains and losses				Minority interests				
	Capital stock, additional paid-in capital	Reserves, retained earnings and net income for the period	Total	Change in fair value of financial assets available for sale, net of taxes	Change in fair value of cash flow hedges, net of taxes	Cumulative translation differences	Total	Equity, Group share	Core equity	Unrealised or deferred gains and losses	Total	Equity
	(EUR millions)											
At 1 January 2007	3,114	3,206	6,320	969	(26)	(91)	852	7,172	767	45	812	7,984
<i>Movements during the period</i>												
Changes in capital	0	0	0				0	0	18		18	18
Changes in additional paid-in capital	0	0	0				0	0	0		0	0
Dividends.....		(320)	(320)				0	(320)	(19)		(19)	(339)
Translation adjustments...			0	41	12	(194)	(141)	(141)	0	(21)	(21)	(162)
Changes in fair value of financial assets available for sale through equity			0	(2,010)			(2,010)	(2,010)		(89)	(89)	(2,099)
Changes in fair value of derivatives through equity			0		89		89	89		1	1	90
Changes in fair value of financial assets available for sale through profit or loss			0	(215)			(215)	(215)		2	2	(213)
Changes in fair value of derivatives through profit or loss			0		(29)		(29)	(29)		0	0	(29)
Net income(2) for the period.....		979	979				0	979	55		55	1,034
Other movements ⁽¹⁾	0	3	3	0	0	0	0	3	0	0	0	3
At 31 December 2007.....	3,114	3,868	6,982	(1,215)	46	(285)	(1,454)	5,528	821	(62)	759	6,287
At 31 December 2007.....	3,114	3,868	6,982	(1,215)	46	(285)	(1,454)	5,528	821	(62)	759	6,287
<i>Movements during the period</i>												
Changes in capital	(826)	0	(826)				0	(826)	92		92	(734)
Changes in additional paid-in capital	4,326	0	4,326				0	4,326	0		0	4,326
Dividends.....		(415)	(415)				0	(415)	(19)		(19)	(434)
Translation adjustments...			0	(202)	(34)	147	(89)	89	0	13	13	(76)
Changes in fair value of financial assets available for sale through equity			0	(6,739)			(6,739)	(6,739)		(296)	(296)	(7,035)
Changes in fair value of derivatives through equity			0		(1,078)		(1,078)	(1,078)		(10)	(10)	(1,088)
Changes in fair value of financial assets available for sale through profit or loss			0	753			753	753		86	86	839
Changes in fair value of derivatives through profit or loss			0		(14)		(14)	(14)		0	0	(14)
Net income for the period		(3,556)	(3,556)				0	(3,556)	(360)		(360)	(3,916)
Other movements ⁽¹⁾	0	3	3	0	0	0	0	3	(68)	0	(68)	(65)
At 31 December 2008.....	6,614	(100)	6,514	(7,403)	(1,080)	(138)	(8,621)	(2,107)	466	(269)	197	(1,910)
<i>Movements during the period</i>												
Changes in capital	0	0	0				0	0	1		1	1
Changes in additional paid-in capital	(4,552)	4,552	0				0	0	0		0	0

	Core equity		Unrealised or deferred gains and losses				Minority interests					
	Capital stock, additional paid-in capital	Reserves, retained earnings and net income for the period	Total	Change in fair value of financial assets available for sale, net of taxes	Change in fair value of cash flow hedges, net of taxes	Cumulative translation differences	Total	Equity, Group share	Core equity	Unre-aised or deferred gains and losses	Total	Equity
<i>(EUR millions)</i>												
Dividends.....		0	0				0	0	0	0	0	0
Translation adjustments...			0	133	9	19	161	161		5	5	166
Changes in fair value of financial assets available for sale through equity			0	1,494			1,494	1,494		23	23	1,517
Changes in fair value of derivatives through equity			0		446		446	446		13	13	459
Changes in fair value of financial assets available for sale through profit or loss			0	663			663	663		59	59	722
Changes in fair value of derivatives through profit or loss			0		(9)		(9)	(9)		0	0	(9)
Net income for the period		269	269				0	269	51		51	320
Other movements ⁽¹⁾	0	1	1	0	0	0	0	1	8	0	8	9
At 31 December 2009.....	2,062	4,722	6,784	(5,113)	(634)	(119)	(5,866)	918	526	(169)	357	1,275

(1) Other movements are all discussed in note 3.10.c to the Consolidated Financial Statements found in the Annual Report of the Issuer for 2009..

Consolidated cash flow statement

For the year ended 31 December

	2007	2008	2009
<i>(EUR millions)</i>			
Cash flow from operating activities			
Net income ⁽¹⁾	1,034	(3,916)	320
Adjustments for:			
– Depreciation, amortization and other impairment	62	1,253	91
– Impairment on bonds, equities, loans and other assets..	(58)	1,466	288
– Net gains on investments	(237)	1,014	(50)
– Changes in provisions	42	1,567	301
– Unrealized gains and losses	(82)	(2)	(8)
– Income (losses) from associates ⁽¹⁾	(58)	53	1
– Dividends from associates	21	22	14
– Deferred taxes	(161)	(828)	70
– Other adjustments ⁽¹⁾	9	4	1
Changes in operating assets and liabilities ⁽¹⁾	(202)	17,681	(10,550)

	For the year ended 31 December		
	2007	2008	2009
<i>(EUR millions)</i>			
Net cash provided (used) by operating activities	370	18,314	(9,522)
Cash flow from investing activities			
Purchases of fixed assets	(106)	(102)	(72)
Sales of fixed assets	9	6	12
Acquisitions of unconsolidated equity shares	(122)	(195)	(44)
Sales of unconsolidated equity shares	463	145	448
Acquisitions of subsidiaries	(24)	(10)	(24)
Sales of subsidiaries	3	0	371
Net cash provided (used) by investing activities	223	(156)	691
Cash flow from financing activities			
Issuance of new shares	18	3,654	1
Reimbursement of capital	0	0	0
Issuance of subordinated debt	1,142	320	0
Reimbursement of subordinated debt	(282)	(376)	(93)
Purchases of treasury stock	0	0	0
Sales of treasury stock	0	0	0
Dividends paid	(339)	(434)	0
Net cash provided (used) by financing activities	539	3,164	(92)
Net cash provided	1,132	21,322	(8,923)
Cash and cash equivalents at the beginning of the period	18,900	19,708	41,574
Cash flow provided (used) by operating activities	370	18,314	(9,522)
Cash flow provided (used) by investing activities	223	(156)	691
Cash flow provided (used) by financing activities	539	3,164	(92)
Effect of exchange rate changes and changes in scope of consolidation on cash and cash equivalents	(324)	544	(273)
Cash and cash equivalents at the end of the period	19,708	41,574	32,378
Additional information			
Income tax paid	(309)	(99)	(274)
Dividends received	45	33	21
Interest received ⁽²⁾	48,943	55,814	35,563
Interest paid	(47,683)	(54,008)	(33,617)

(1) According to IFRIC 11 "Group and Treasury Share Transactions", data for 2007 were restated as far as expenses related to stock option plans are concerned (EUR 3 million under "Income (losses) from associates" and EUR 9 million under "Other adjustments").

(2) EUR 2 million was reclassified in 2007 from line VI. "Net gains (losses) on financial assets available for sale" from line I. "Interest income", with no impact on earnings for the period.

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents include the following balances with current maturities of less than 90 days:

Analysis by nature	At 31 December		
	2007	2008	2009
<i>(EUR millions)</i>			
Cash, central banks and postal checking accounts (note 2.0).....	1,552	632	901
Interbank loans and advances (note 2.3).....	9,948	18,776	12,854
Loans and securities available for sale (note 2.2).....	2,207	827	1,206
Loans and securities held for trading (note 2.1).....	153	273	10
Loans and securities designated at fair value (note 2.1).....	0	0	0
Accruals and other assets (note 2.7)	5,848	21,066	17,407
Total	19,708	41,574	32,378
Of which restricted cash			
Mandatory reserves ⁽¹⁾	951	494	496
Cash collateral	5,848	21,066	17,407
Other	0	0	0
Total	6,799	21,560	17,903

(1) Minimum reserve deposits credit institutions must have with the European Central Bank (ECB) or other central banks.

Interim Consolidated Financial Statements of Dexia Crédit Local for the six month periods ended 30 June 2009 and 30 June 2010 subject to a limited review of the Auditors

Consolidated balance sheet

Assets

	At 30 June 2009	At 31 December 2009	At 30 June 2010
<i>(EUR millions)</i>			
I. Cash, central banks and postal checking accounts	783	901	499
II. Financial assets at fair value through profit or loss	17,563	13,472	19,270
III. Hedging derivatives	5,943	8,820	12,060
IV. Financial assets available for sale	51,649	47,617	44,357
V. Interbank loans and advances	28,061	26,796	22,020
VI. Customer loans and advances	239,295	239,198	250,309
VII. Fair value revaluation of portfolio hedge	1,588	1,788	3,198
VIII. Financial assets held to maturity	1,000	973	914
IX. Current tax assets	47	78	63
X. Deferred tax assets	2,402	1,968	2,294
XI. Accruals and other assets	18,761	17,888	26,529
XII. Non current assets held for sale	0	0	0
XIII. Investments in associates	255	0	0
XIV. Investment property	0	0	0
XV. Tangible fixed assets	498	500	528
XVI. Intangible assets	71	66	62
XVII. Goodwill	206	200	200
XVIII. Total Assets	368,122	360,265	382,303

Liabilities

	At 30 June 2009	At 31 December 2009	At 30 June 2010
<i>(EUR millions)</i>			
I. Central banks and postal checking accounts.....	37,904	28,491	21,728
II. Financial liabilities at fair value through profit or loss.....	17,998	15,615	22,709
III. Hedging derivatives.....	18,257	21,487	31,046
IV. Interbank loans and deposits.....	71,904	76,947	74,969
V. Customer borrowings and deposits.....	16,497	13,967	15,728
VI. Debt securities.....	191,516	190,896	203,634
VII. Fair value revaluation of portfolio hedge.....	1,734	1,884	2,921
VIII. Current tax liabilities.....	176	127	56
IX. Deferred tax liabilities.....	20	5	1
X. Accruals and other liabilities.....	7,107	4,462	5,103
XI. Liabilities included in disposal groups held for sale.....	0	0	0
XII. Technical provisions of insurance companies.....	0	0	0
XIII. Provisions.....	204	263	289
XIV. Subordinated debt.....	4,878	4,846	5,143
XV. Shareholders' equity.....	(73)	1,275	(1,024)
XVI. Shareholders' equity, group share.....	(394)	918	(1,214)
XVII. Capital stock and additional paid-in capital.....	2,062	2,062	2,062
XVIII. Reserves and retained earnings.....	4,460	4,453	4,719
XIX. Unrealized or deferred gains and losses.....	(7,220)	(5,866)	(7,805)
XX. Net income.....	304	269	(190)
XXI. Minority interests.....	321	357	190
Total Liabilities.....	368,122	360,265	382,303

Consolidated income statement

	Half year 2009	Year 2009	Half year 2010
<i>(EUR millions)</i>			
I. Interest income	18,724	32,297	12,463
II. Interest expense	(17,829)	(30,999)	(12,059)
III. Fee and commission income	76	149	78
IV. Fee and commission expense	(23)	(41)	(24)
V. Net gains (losses) on financial instruments at fair value through profit or loss	338	337	37
VI. Net gains (losses) on financial assets available for sale	31	81	(230)
VII. Other income ⁽¹⁾	46	65	27
VIII. Other expense ⁽¹⁾	(23)	(37)	(39)
IX. Net Banking Income	1,340	1,852	253
X. Operating expense	(264)	(502)	(221)
XI. Depreciation, amortization and impairment of tangible fixed assets and intangible assets	(27)	(52)	(24)
XII. Gross Operating Income	1,049	1,298	8
XIII. Cost of risk	(436)	(630)	(288)
XIV. Operating Income	613	668	(280)
XV. Income (losses) from associates	(6)	(1)	0
XVI. Net gains (losses) on other assets	(99)	(102)	0
XVII. Impairment of goodwill	0	(6)	0
XVIII. Income Before Income Tax	508	559	(280)
XIX. Corporate income tax	(154)	(239)	91
XX. Net Income	354	320	(189)
XXI. Minority interests	50	51	1
XXII. Net Income, Group Share	304	269	(190)
Earning per share, Group share			
– Basic (in EUR)	3.49	3.09	-2.18
– Diluted (in EUR)	3.49	3.09	-2.18
(1) Including technical margin of insurance companies.	25	25	0

Net income and unrealised or deferred gains and losses through shareholders' equity

	Half-year 2009	Year 2009	Half-year 2010
<i>(EUR millions)</i>			
I. Net income	354	320	(189)
II. Translation adjustments	12	19	61
III. Unrealised or deferred gains and losses of financial assets available for sale.....	1,274	3,039	(2,188)
IV. Unrealised or deferred gains and losses of cash flow hedges.	467	502	(109)
V. Unrealised or deferred gains and losses of associates	30	30	0
VI. Taxes ⁽¹⁾	(322)	(736)	131
VII. Total of unrealised or deferred gains and losses through equity	1,461	2,854	(2,105)
VIII. Net income and unrealised or deferred gains and losses through equity	1,815	3,174	(2,294)
IX. Of which group share	1,705	3,024	(2,130)
X. Of which minority interests	110	150	(164)

(1) Following the publication of July IFRIC decision on deferred taxes on unrealised or deferred gains and losses, an amount of EUR 0.4 billion deferred taxes, mainly on available for sale reserve, can no longer be recognised and has been reversed. In consequence, "Unrealised or deferred gains and losses" and "Deferred tax assets" were reduced of this amount.

Consolidated statement of changes in equity

	Core equity			Unrealised or deferred gains and losses				Minority interests				
	Capital stock, additional paid-in capital	Reserves, retained earnings and net income for the period	Total	Change in fair value of financial assets available for sale, net of taxes	Change in fair value of cash flow hedges, net of taxes	Cumulative translation differences	Total	Equity, Group share	Core equity	Unre-aised or deferred gains and losses	Total	Equity
	(EUR millions)											
At 31 December 2008.....	6,614	(100)	6,514	(7,403)	(1,080)	(138)	(8,621)	(2,107)	466	(269)	197	(1,910)
<i>Movements during the period</i>												
Changes in capital	0	0	0				0	0	1		1	1
Changes in additional paid-in capital	(4,552)	4,552	0				0	0	0		0	0
Dividends		0	0				0	0	0		0	0
Translation adjustments...			0	(1)	(18)	14	(5)	(5)		(2)	(2)	(7)
Changes in fair value of financial assets available for sale through equity			0	877			877	877		49	49	926
Changes in fair value of derivatives through equity			0		457		457	457		6	6	463
Changes in fair value of financial assets available for sale through profit or loss			0	79			79	79		6	6	85
Changes in fair value of derivatives through profit or loss			0		(7)		(7)	(7)		0	0	(7)
Net income for the period		304	304				0	304	50		50	354
Other movements	0	8	8	0	0	0	0	8	14	0	14	22
At 30 June 2009	2,062	4,764	6,826	(6,448)	(648)	(124)	(7,220)	394	531	(210)	321	(73)
<i>Movements during the period</i>												
- Changes in capital	0	0	0				0	0	0		0	0
- Changes in additional paid-in capital	0	0	0				0	0	0		0	0
- Dividends		0	0				0	0	0		0	0
- Translation adjustment			0	134	27	5	166	166		7	7	173
- Changes in fair value of financial assets available for sale through equity			0	617			617	617		(26)	(26)	591
- Changes in fair value of derivatives through equity			0		(11)		(11)	(11)		7	7	(4)
- Changes in fair value of financial assets available for sale through profit or loss			0	584			584	584		53	53	637
- Changes in fair value of derivatives through profit or loss			0		(2)		(2)	(2)		0	0	(2)
- Net income for the period		(35)	(35)				0	(35)	1		1	(34)
- Other movements	0	(7)	(7)	0	0	0	0	(7)	(6)	0	(6)	(13)
At 31 December 2009.....	2,062	4,722	6,784	(5,113)	(634)	(119)	(5,866)	918	526	(169)	357	1,275
<i>Movements during the period</i>												
- Changes in capital	0	0	0				0	0	0		0	0
- Changes in additional paid-in capital	0	0	0				0	0	0		0	0

	Core equity		Unrealised or deferred gains and losses				Minority interests					
	Capital stock, additional paid-in capital	Reserves, retained earnings and net income for the period	Total	Change in fair value of financial assets available for sale, net of taxes	Change in fair value of cash flow hedges, net of taxes	Cumulative translation differences	Total	Equity, Group share	Core equity	Unre-aised or deferred gains and losses	Total	Equity
- Dividends		0	0				0	0	(6)	(6)	(6)	
- Translation adjustment			0	(625)	(69)	69	(625)	(625)		(8)	(8)	(633)
- Changes in fair value of financial assets available for sale through equity ⁽¹⁾			0	(1,741)			(1,741)	(1,741)		(185)	(185)	(1,926)
- Changes in fair value of derivatives through equity ⁽¹⁾			0		5		5	5		(3)	(3)	2
- Changes in fair value of financial assets available for sale through profit or loss ...			0	425			425	425		30	30	455
- Changes in fair value of derivatives through profit or loss			0		(3)		(3)	(3)		0	0	(3)
Net income for the period		(190)	(190)				0	(190)	1	1	(189)	
Other movements	0	(3)	(3)	0	0	0	0	(3)	4	0	4	1
At 30 June 2010	2,062	4,529	6,591	(7,054)	(701)	(50)	(7,805)	(1,214)	525	(335)	190	(1,024)

(1) Following the publication of July IFRIC decision on deferred taxes on unrealised or deferred gains and losses, an amount of EUR 0.4 billion deferred taxes, mainly on available for sale reserve, can no longer be recognised and has been reversed. In consequence, "Unrealised or deferred gains and losses" and "Deferred tax assets" were reduced of this amount.

Dexia Crédit Local has a capital of EUR 500 513 102 divided into 87 045 757 shares, of which the par value is EUR 5.75.

There is no other share giving access to Dexia Crédit Local's capital.

Consolidated cash flow statement

	At 30 June 2009	At 31 December 2009	At 30 June 2010
<i>(EUR millions)</i>			
Cash flow from operating activities			
Net income	354	320	(189)
Adjustments for:			
– Depreciation, amortization and other impairment	50	91	40
– Impairment on bonds, equities, loans and other assets.	194	288	288
– Net gains on investments	92	(50)	40
– Changes in provisions	244	301	(90)
– Unrealised gains and losses.....	(4)	(8)	(10)
– Income from associates.....	(8)	1	0
– Dividends from associates.....	14	14	0
– Deferred taxes	57	70	(177)
– Other adjustments	0	1	0
Changes in operating assets and liabilities.....	(9,851)	(10,550)	4,143
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(8,858)	(9,522)	4,045
Cash flow from investing activities			
Purchases of fixed assets.....	(29)	(72)	(67)
Sales of fixed assets.....	5	12	9
Acquisitions of unconsolidated equity shares	(30)	(44)	(17)
Sales of unconsolidated equity shares	25	448	16
Acquisitions of subsidiaries.....	(9)	(24)	0
Sales of subsidiaries.....	0	371	0
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(38)	691	(59)
Cash flow from financing activities			
Issuance of new shares	1	1	0
Reimbursement of capital.....	0	0	0
Issuance of subordinated debt.....	0	0	0
Reimbursement of subordinated debt.....	(88)	(93)	(18)
Purchases of treasury stock	0	0	0
Sales of treasury stock	0	0	0
Dividends paid	0	0	(6)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	(87)	(92)	(24)
NET CASH PROVIDED.....	(8,983)	(8,923)	3,962
CASH AND CASH EQUIVALENTS AT THE	41,574	41,574	32,378

	At 30 June 2009	At 31 December 2009	At 30 June 2010
<i>(EUR millions)</i>			
BEGINNING OF THE PERIOD			
Cash flow provided (used) by operating activities.....	(8,858)	(9,522)	4,045
Cash flow provided (used) by investing activities	(38)	691	(59)
Cash flow provided (used) by financing activities	(87)	(92)	(24)
Effect of exchange rate changes and changes in scope of consolidation on cash and cash equivalents.....	327	(273)	1,235
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	32,918	32,378	37,575
Additional information			
Income tax paid	(146)	(274)	(142)
Dividends received	19	21	6
Interest received	21,811	35,563	13,108
Interest paid.....	(20,449)	(33,617)	(12,594)

RECENT DEVELOPMENTS

The fiscal year 2010 was marked by the improvement of Dexia Crédit Local's funding and liquidity conditions, which were strongly affected by the financial crisis. Dexia Crédit Local pursued the implementation of its transformation plan, in accordance with the Dexia Group objectives, focusing on those activities for which Dexia had a significant commercial franchise, the disposal of certain assets, and the lowering of the Dexia Group's risk profile and cost structure.

In February 2010, the European Commission approved the Dexia Group restructuring plan. It incorporated the significant steps already taken towards achieving Dexia's transformation plan and confirmed the objectives of costs cutting and reduction of the balance sheet. It called notably for Dexia Crediop and Dexia banka Slovensko to be sold by 31 October 2012 and for Dexia Sabadell to be sold by 31 December 2013.

Since 30 June 2010, Dexia Crédit Local has continued to implement the transformation plan in line with the commitments made by the Dexia Group to the European Commission.

Balance-sheet deleveraging remains a major priority for Dexia Crédit Local, as it does for the Dexia Group. Despite less favourable market conditions during the summer months, Dexia Crédit Local continued to implement its deleveraging programme at a sustained pace. EUR 18.8 billion were disposed of at the end of September 2010 (of which EUR 13 billion were "Core" and "Legacy" bonds; EUR 4.5 billion were PWB run-off loans and EUR 1.3 billion internal sales (1.8% loss on the nominal amount of the assets sold)), with a total profit and loss impact of EUR 318 million (of which EUR 195 million consisted of internal sales impact between Dexia entities).

It is expected that the further implementation of this programme, as well as the continuation of the policy of provisioning for the Financial Products activity, to reflect depreciation in line with depressed market values, will weigh on the financial results and the equity of Dexia Crédit Local.

Although Dexia Crédit Local estimates that under IFRS standards the implementation of these policies does not lead to a significant deterioration of its solvency ratios, this is not the case under French reporting rules.

Dexia Crédit Local reports its corporate financial statements in line with French standards, whilst the Dexia Group's consolidated accounts follow the IFRS rules. The major differences between these two regimes, taking Dexia Crédit Local's activities into account, rest on the treatment of unrealised losses in the securities portfolios, which, under French rules, impact the Profit and Loss account by way of the constitution of provisions. Consequently, there is a considerable sensitivity on the calculation of Dexia Crédit Local's equity resulting from the valuation of the securities portfolios.

In order to keep Dexia Crédit Local's equity at a level sufficient to absorb possible further deterioration which might result from the evolution of market spreads, a project to increase Dexia Crédit Local's capital was submitted to the deliberating bodies and to the regulators.

This capital increase (EUR 639,786,313.95) took place on 22 December 2010 entirely subscribed by Dexia SA, through conversion of a subordinated loan already in place. This capital increase was followed by a decrease of the same amount. Dexia Crédit Local's capital is still, after these two steps, EUR 500,513,102.75.

Medium and long-term debt in the form of notes issued by Dexia Crédit Local

Between 1 January 2010 and 30 June 2010, the outstanding medium and long-term debt of the Dexia Credit Local Group as represented by securities (as defined in Item VI "Debt securities" of the liabilities in the consolidated financial statements), increased by EUR 12,7 billion.

Between 1 January 2010 and 4 January 2011 Dexia Credit Local issued EUR 25 billion of medium and long-term debt securities (as defined in note 3.3 “Debt securities” of the liabilities in the annual financial statements).

TRANSFER RESTRICTIONS

Registered Notes pursuant to Rule 144A

Each purchaser of Registered Notes within the United States pursuant to Rule 144A, by accepting delivery of this Base Prospectus, will be deemed to have represented, agreed and acknowledged that:

- (1) It is:
 - (a) a qualified institutional buyer within the meaning of Rule 144A (“QIB”);
 - (b) acquiring such Notes for its own account or for the account of a QIB; and
 - (c) aware, and each beneficial owner of such Notes has been advised, that the sale of such Notes to it is being made in reliance on Rule 144A.
- (2) It understands that such Notes have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except:
 - (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB;
 - (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S; or
 - (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States.

- (3) It understands that such Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR REALES OF THIS NOTE.

- (4) The Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements. If it is acquiring any Notes for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.
- (5) It understands that Registered Notes offered in reliance on Rule 144A will be represented by the Restricted Global Certificate. Before any interest in the Restricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an

interest in the Unrestricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Registered Notes pursuant to Regulation S

Each purchaser of Registered Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Notes in resales prior to the expiration of the Distribution Compliance Period (as defined in "Plan of Distribution"), by accepting delivery of this Base Prospectus and the Notes, will be deemed to have represented, agreed and acknowledged that:

- (1) It is, or at the time Notes are purchased will be, the beneficial owner of such Notes and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate.
- (2) It understands that such Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the Distribution Compliance Period it will not offer, sell, pledge or otherwise transfer such Notes except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.
- (3) It understands that such Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT.

- (4) It understands that the Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.
- (5) It understands that the Notes offered in reliance on Regulation S will be represented by the Unrestricted Global Certificate. Prior to the expiration of the Distribution Compliance Period, before any interest in the Unrestricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Restricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.
- (6) It is expected that delivery of Notes will be made against payment therefor on the relevant Issue Date, which could be more than three business days following the date of pricing. Under Rule 15c6-1 of the U.S. Securities and Exchange Commission under the Exchange Act, trades in the United States secondary market generally are required to settle within three business days (T+3), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes in the United States on the date of pricing or the next succeeding business days until the relevant Issue Date will be required, by virtue of the fact the Notes initially will settle beyond T+3, to specify an alternate settlement cycle at the time of any such trade to prevent a

failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices and purchasers of Notes who wish to trade Notes between the date of pricing and the relevant Issue Date should consult their own adviser.

TAXATION

The statements herein regarding taxation are based on the laws in force in the European Union, the Kingdom of Belgium, the Republic of France, the Grand Duchy of Luxembourg and/or, as the case may be, the United Kingdom as of the date of this Programme and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of Notes should consult its tax adviser as to the tax consequences of any investment in or ownership and disposition of the Notes under the laws of the European Union, the Republic of France, the Grand Duchy of Luxembourg, the United Kingdom and/or any other jurisdiction.

All prospective Noteholders should seek independent advice as to their tax positions.

EU Taxation

The following is a summary limited to certain tax considerations in the European Union relating to the Notes that may be issued under the Programme and specifically contains information on taxes on the income from the Notes withheld at source. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes.

On 3 June 2003, the European Council of Economic and Finance Ministers adopted the directive 2003/48/EC on the taxation of savings income (the “**Savings Directive**”). Pursuant to the Savings Directive and subject to a number of conditions being met, Member States are required, since 1 July 2005, to provide to the tax authorities of another Member State, *inter alia*, details of payments of interest within the meaning of the Savings Directive (interest, premiums or other debt income) made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident or certain entities called “residual entities” established in that other Member State (the “Disclosure of Information Method”).

For these purposes, the term “paying agent” is defined widely and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Savings Directive, for the immediate benefit of individuals.

However, throughout a transitional period, certain Member States (the Grand Duchy of Luxembourg and Austria), instead of using the Disclosure of Information Method used by other Member States, unless the relevant beneficial owner of such payment elects for the Disclosure of Information Method, withhold an amount on interest payments. The withholding tax rate is 20 per cent. increasing to 35 per cent. as from 1 July 2011 (hereinafter also referred to as the “Source Tax”).

Such transitional period will end at the end of the first full fiscal year following the later of (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the European Council, and the last of Switzerland, Liechtenstein, San Marino, Monaco and Andorra, providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on 18 April 2002 (the “OECD Model Agreement”) with respect to interest payments within the meaning of the Savings Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments at the rates applicable for the corresponding periods mentioned above and (ii) the date on which the European Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Savings Directive.

A number of non-EU countries and dependent or associated territories have agreed to adopt similar measures (transitional withholding or exchange of information) with effect from 1 July 2005.

On 15 September 2008, the European Commission announced proposals to amend the Directive. If implemented, the proposed amendments would, inter alia, extend the scope of the Directive to (i) payments made through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an European Union resident individual, and (ii) a wider range of income similar to interest. On 13 November 2008, the European Commission published a more detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the Savings Directive, they may amend or broaden the scope of the requirements described above.

Belgian Taxation

The following summary describes the principal Belgian tax considerations with respect to the holding of Notes obtained by an investor in Belgium.

This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold or to dispose of the Notes. In some cases, different rules can be applicable. Furthermore, the tax rules can be amended in the future, possibly implemented with retroactive effect, and the interpretation of the tax rules may change.

This summary is based on Belgian tax legislation, treaties, rules, and administrative interpretations and similar documentation, in force as of the date of the publication of this Base Prospectus, without prejudice to any amendments introduced at a later date, even if implemented with retroactive effect.

This summary does not describe the tax consequences for a holder of Notes that are redeemable in exchange for, or convertible into shares, of the exercise, settlement or redemption of such Notes.

Each prospective holder of Notes should consult a professional adviser with respect to the tax consequences of an investment in the Notes, taking into account the influence of each regional, local or national law.

Individuals resident in Belgium

Individuals who are Belgian residents for tax purposes, i.e. individuals subject to the Belgian individual income tax ("*Personenbelasting*" / "*Impôt des personnes physiques*") and who hold the Notes as a private investment, are subject to the following tax treatment in Belgium with respect to the Notes. Other tax rules apply to Belgian resident individuals holding the Notes not as a private investment but in the framework of their professional activity or when the transactions with respect to the Notes fall outside the scope of the normal management of their own private estate.

Under Belgian tax law, "interest" income includes: (i) periodic interest income, (ii) any amount paid by the Issuer in excess of the issue price (whether or not on the maturity date), and (iii) if the Notes qualify as "fixed income securities" (in the meaning of article 2, §1, 8° Belgian Income Tax Code), in the case of a realisation of the Notes between two interest payment dates, the interest accrued during the detention period.

Payments of interest on the Notes made through a paying agent in Belgium will in principle be subject to a 15% withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). The Belgian withholding tax constitutes the final income tax for Belgian resident individuals. This means that they do not have to declare the interest obtained on the Notes in their personal income tax return, provided Belgian withholding tax was levied on these interest payments.

However, if the interest is paid outside of Belgium, i.e. without the intervention of a paying agent in Belgium, the interest received on the Notes (after deduction of any non-Belgian withholding tax) must be

declared in the personal income tax return of the holder of Notes and will be taxed at a flat rate of 15% plus communal surcharges. On 1 July 2010 the European Court of Justice has ruled that the imposition of additional communal surcharges on interest from investments in an EU Member State other than Belgium, as opposed to interest from investments made in Belgium, constitutes an unfavourable tax treatment which is inconsistent with the free movement of capital (C-233/09). Following this decision of the European Court of Justice, holders of the Notes are, in such a case, entitled to claim an exemption from such communal surcharges subject to certain formalities (confer Circular letter dd. 19.10.2010).

Capital gains realised upon the sale of the Notes are in principle tax exempt, unless the capital gains are realised outside the scope of the management of one's private estate or unless the capital gains qualify as interest (as defined above). Capital losses are in principle not tax deductible.

Belgian resident corporations

Corporations that are Belgian residents for tax purposes, i.e., corporations subject to Belgian Corporate Income Tax ("*Vennootschapsbelasting*" / "*Impôt des sociétés*") are subject to the following tax treatment in Belgium with respect to the Notes.

Payments of interest (as defined in the section "Individuals resident in Belgium") on the Notes made through a paying agent in Belgium will in principle be subject to a 15% withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). However, the interest can under certain circumstances be exempt from withholding tax, provided a special certificate is delivered.

Interest derived by Belgian corporate investors on the Notes and capital gains realised on the Notes will be subject to Belgian corporate income tax at the ordinary rate of 33.99%. The Belgian withholding tax that has been levied is creditable and refundable in accordance with the applicable legal provisions. Capital losses on the Notes are in principle tax deductible.

Other Belgian legal entities

Legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities ("*Rechtspersonenbelasting*" / "*impôt des personnes morales*") are subject to the following tax treatment in Belgium with respect to the Notes.

Payments of interest (as defined in the section "Individuals resident in Belgium") on the Notes made through a paying agent in Belgium will in principle be subject to a 15% withholding tax in Belgium and no further tax on legal entities will be due on the interest.

However, if the interest is paid outside Belgium, i.e. without the intervention of a Belgian paying agent and without deduction of the Belgian withholding tax the legal entity itself is liable for the deduction and payment of the Belgian 15% withholding tax.

Capital gains realised on the sale of the Notes are in principle tax exempt, unless the capital gain qualifies as interest (as defined in the section "Individuals resident in Belgium"). Capital losses on the Notes are in principle not tax deductible.

Organisation for Financing Pensions

Belgian pension fund entities that have the form of an Organisation for Financing Pensions ("*OFF*") are subject to Belgian Corporate Income Tax ("*Vennootschapsbelasting*" / "*Impôt des sociétés*"). OFFs are subject to the following tax treatment in Belgium with respect to the Notes.

Interest derived on the Notes and capital gains realised on the Notes will not be subject to Belgian Corporate Income Tax in the hands of OFFs. Any Belgian withholding tax that has been levied is creditable and refundable in accordance with the applicable legal provisions.

Tax on stock exchange transactions

A stock exchange tax ("*Taxe sur les opérations de bourse*", "*Taks op de beursverrichtingen*") will be levied on the purchase and sale in Belgium of the Notes on a secondary market through a professional intermediary. The rate applicable for secondary sales and purchases in Belgium through a professional intermediary is 0.07 per cent. with a maximum amount of €500 per transaction and per party. The tax is due separately from each party to any such transaction, i.e. the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary.

However, the tax referred to above will not be payable by exempt persons acting for their own account, including investors who are Belgian non-residents provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status and certain Belgian institutional investors, as defined in Article 126/1, 2° of the Code of various duties and taxes ("*Code des droits et taxes divers*", "*Wetboek diverse rechten en taksen*") for the taxes on stock exchange transactions.

EU Savings Directive

The Directive has been implemented in Belgium by the law of 17 May 2004 and applies to interest paid or attributed as from 1 July 2005.

Individuals not resident in Belgium and falling under the scope of application of the Directive.

Following a change in regime on 1 January 2010, interest paid or collected through Belgium on the Notes and falling under the scope of application of the Directive will be subject to the Disclosure of Information Method.

Individuals resident in Belgium.

An individual resident in Belgium will be subject to the provisions of the Directive, if he receives interest payments from a paying agent (within the meaning of the Savings Directive) established in another EU Member State, Switzerland, Liechtenstein, Andorra, Monaco, San Marino, the Netherlands Antilles, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat, the British Virgin Islands, Anguilla, the Cayman Islands or the Turks and Caicos Islands.

If the interest received by an individual resident in Belgium has been subject to a Source Tax, such Source Tax does not liberate the Belgian individual from declaring the interest income in the personal income tax declaration. The Source Tax will be credited against the personal income tax. If the Source Tax withheld exceeds the personal income tax due, the excessive amount will be reimbursed, provided it reaches a minimum of 2.5 EUR.

French Taxation

The descriptions below are intended as a basic summary of certain tax consequences in relation to the purchase, ownership and disposal of the Notes under French law. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in, or ownership and disposition of the Notes.

Notes issued as from 1 March 2010

Following the enactment of the French *loi de finances rectificative pour 2009 no. 3* (no. 2009-1674 dated 30 December 2009) (the "**Law**"), payments of interest and other revenues made by the Issuer with respect to Notes issued on or after 1 March 2010 (other than Notes (described below) which are consolidated (*assimilables* for the purpose of French law) and form a single series with Notes issued prior to 1 March 2010 benefitting from the exemption from withholding tax of Article 131 quater of the French General Tax Code) will not be subject to the withholding tax set out under Article 125 A III of the

French General Tax Code unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French General Tax Code (a “**Non-Cooperative State**”). If such payments are made in a Non-Cooperative State, a 50% withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty) by virtue of Article 125 A III of the French General Tax Code.

Furthermore, according to Article 238 A of the French General Tax Code, interest and other revenues on such Notes may no longer be deductible from the Issuer's taxable income, as from the fiscal years starting on or after 1 January 2011, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French General Tax Code, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 bis 2 of the French General Tax Code, at a rate of 25% or 50% (subject to the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, the Law provides that neither the 50% withholding tax set out under Article 125 A III of the French General Tax Code nor the non-deductibility set out under Article 238A of the French General Tax Code will apply if the Issuer can prove that the principal purpose and effect of a particular issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the “**Exception**”). Pursuant to the ruling (*rescrit*) no. 2010/11 (FP and FE) of the French tax authorities dated 22 February 2010, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are:

(i) offered by means of a public offer within the meaning of Article L.411.1 of the French Monetary and Financial Code or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an “equivalent offer” means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

(ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

(iii) admitted, at the time of their issue, to the operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L. 561-2 of the French Monetary and Financial Code, or of one or more similar foreign depositories or operators (such as Euroclear Bank SA/NV and Clearstream Luxembourg, société anonyme) provided that such depository or operator is not located in a Non-Cooperative State.

Notes which are consolidated (assimilables for the purpose of French law) and form a single series with Notes issued before 1 March 2010

Payments of interest and other revenues with respect to Notes which are consolidated (*assimilables* for the purpose of French law), and form a single series with Notes issued before 1 March 2010 with the benefit of Article 131 *quater* of the French General Tax Code, will continue to be exempt from the withholding tax set out under Article 125 A III of the French General Tax Code.

Notes issued before 1 March 2010, whether denominated in Euro or in any other currency, and constituting *obligations* under French law, or *titres de créances négociables* within the meaning of rulings (*rescrits*) no. 2007/59 (FP) and no. 2009/23 (FP) of the French tax authorities dated 8 January 2008 and 7 April 2009, respectively, or other debt securities issued under French or foreign law and considered by

the French tax authorities as falling into similar categories, are deemed to be issued outside the Republic of France for the purpose of Article 131 *quater* of the French General Tax Code, in accordance with Circular 5 I-11-98 of the French tax authorities dated 30 September 1998 and the aforementioned rulings (*rescrits*) no. 2007/59 (FP) and no. 2009/23 (FP).

In addition, interest and other revenues paid by the Issuer on Notes issued on or after 1 March 2010 and which are to be consolidated (*assimilables* for the purpose of French law) and form a single series with Notes issued before 1 March 2010) will be subject neither to the non-deductibility set out under Article 238 A of the French General Tax Code nor to the withholding tax set out under Article 119 bis 2 of the French General Tax Code solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

Luxembourg Taxation

Dexia Cr dit Local has been advised that, under Luxembourg tax law currently in effect and with the possible exception of interest paid to individual Noteholders or to certain entities, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest). There is also no Luxembourg withholding tax, with the possible exception of payments made to individual Noteholders or to certain entities, upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

Luxembourg non-resident individuals

Under the Luxembourg laws dated 21 June 2005 implementing the European Council Directive 2003/48/EC on the taxation of savings income (herein referred to as the Directive) and several agreements concluded between Luxembourg and certain dependent or associated territories of the European Union (the "EU"), a Luxembourg based paying agent (within the meaning of the Savings Directive) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State or in certain EU-dependent or associated territories, unless the beneficiary of the interest payments elects for the procedure of exchange of information or for the tax certificate procedure. The same treatment will apply to payments of interest and other similar income made to certain "residual entities" within the meaning of Article 4.2 of the Directive established in a Member State or in certain EU dependent or associated territories (i.e., entities which are not legal persons (the Finnish and Swedish companies listed in Article 4.5 of the Directive are not considered as legal persons for this purpose), whose profits are not taxed under the general arrangements for the business taxation, that are not UCITS recognised in accordance with the Council Directive 85/611/EEC or similar collective investment funds located in Jersey, Guernsey, the Isle of Man, the Turks and Caicos Islands, the Cayman Islands, Montserrat or the British Virgin Islands and have not opted to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC).

The withholding tax rate is 20 per cent. increasing to 35 per cent. as from 1 July 2011 The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

Luxembourg resident individuals

A 10 per cent. withholding tax (the "10 per cent. Luxembourg Withholding Tax") has been introduced, as from 1 January 2006, on interest payments made by Luxembourg paying agents (defined in the same way as in the Directive) to Luxembourg individual residents or to certain residual entities that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC or for the exchange of information regime).

Pursuant to the Luxembourg law of 23 December 2005 as amended by the law of 17 July 2008, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 10 per cent. tax (the “10 per cent. Tax”) on interest payments made after 31 December 2007 by paying agents (defined in the same way as in the Directive) located in an EU Member State other than Luxembourg, a Member State of the European Economic Area other than an EU Member State or in a State or territory which has concluded an international agreement directly related to the Directive.

The 10 per cent. Withholding Tax or the 10 per cent. Tax represents the final tax liability for Luxembourg individual resident taxpayers receiving interest payments in the course of their private wealth.

United Kingdom Taxation

The comments below are of a general nature based on current United Kingdom law and HM Revenue & Customs practice and are not intended to be exhaustive. They assume that the Issuer is not UK resident and does not act through a permanent establishment in the United Kingdom in relation to the Notes. Any Noteholders who are in doubt as to their own tax position should consult their professional advisers.

Interest on the Notes

On the basis that interest on the Notes is not expected to have a United Kingdom source, there should be no United Kingdom withholding tax.

Persons in the United Kingdom (i) paying interest to or receiving interest on behalf of another person who is an individual, or (ii) paying amounts due on redemption of any Notes which constitute deeply discounted securities as defined in Chapter 8 of Part 4 of the Income Tax (Trading and Other Income) Act 2005 to or receiving such amounts on behalf of another person who is an individual, may be required to provide certain information to HM Revenue & Customs regarding the identity of the payee or person entitled to the interest and, in certain circumstances, such information may be exchanged with tax authorities in other countries. However, in relation to amounts payable on the redemption of such Notes, HM Revenue & Customs published practice indicates that HM Revenue & Customs will not exercise its power to obtain information where such amounts are paid or received on or before 5 April 2011. Note, however, that if the reporting obligations in the EU Directive on the Taxation of Savings Income apply to a payment then information on the amounts payable on redemption of such Notes will have to be provided to HM Revenue & Customs.

PLAN OF DISTRIBUTION

Subject to the terms and conditions contained in the Amended and Restated Distribution Agreement dated 7 January 2011, (as amended or supplemented from time to time, the "Distribution Agreement") between the Issuer and the Permanent Dealers, the Notes will be offered on a continuing basis by the Issuer to the Permanent Dealers (except to Dexia Crédit Local). The Issuer has reserved the right to sell Notes directly on its own behalf to Dealers which are not Permanent Dealers. The Notes may also be sold through the Dealers, acting as agents of the Issuer. The Distribution Agreement also provides for Notes to be issued in Tranches which are jointly and severally underwritten by two or more Dealers.

The Issuer will, unless otherwise agreed, pay each relevant Dealer a commission of between 0.15 per cent. to 0.75 per cent. of the principal amount of the Notes, depending upon maturity, in respect of Notes solicited for purchase or purchased by it. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Distribution Agreement entitles the Dealers to terminate any agreement that they may make to subscribe for Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act, as amended and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Distribution Agreement, it has not offered, sold or delivered and will not offer, sell or, in the case of Bearer Notes, deliver the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche (the "Distribution Compliance Period"), as determined and certified to the Issuer and each Relevant Dealer, by the Fiscal Agent, or in the case of a syndicated issue of Notes, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the Distribution Compliance Period (other than resales pursuant to Rule 144A) a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. The Distribution Agreement provides that the Dealers may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and resale of Registered Notes within the United States only to qualified institutional buyers in reliance on Rule 144A.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States and for the resale of Registered Notes in the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for

any reason. This Base Prospectus does not constitute an offer to any person in the United States or to any U.S. person, other than any qualified institutional buyer within the meaning of Rule 144A to whom an offer has been made directly by one of the Dealers or its U.S. broker-dealer affiliate. Distribution of this Base Prospectus by any non-U.S. person outside the United States or by any qualified institutional buyer in the United States to any U.S. person or to any other person within the United States, other than any qualified institutional buyer and those persons, if any, retained to advise such non-U.S. person or qualified institutional buyer with respect thereto, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, other than any qualified institutional buyer and those persons, if any, retained to advise such non-U.S. person or qualified institutional buyer, is prohibited.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by a Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A. Each issue of index-, commodity- or currency-linked Notes may be subject to such additional U.S. selling restrictions as the Relevant Dealer(s) may agree with the Issuer as a term of the issue and purchase or, as the case may be, subscription of such Notes.

Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated in this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (i) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “Non-exempt Offer”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that (i) the Issuer has given its written consent and (ii) any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable;
- (ii) at any time to any legal entity which is a qualified investor as defined under the Prospectus Directive;
- (iii) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient

information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and the amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EC.

United Kingdom

Each Dealer has represented and agreed that:

- (i) in relation to any Notes which have a maturity of less than one year from the date of issue, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (iii) it has complied with and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

France

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

- (i) Offer to the public in France:

it has only made and will only make an offer of Notes to the public in France in the period beginning on the date of notification to the *Autorité des marchés financiers* ("AMF") of the approval of the prospectus relating to those Notes by the competent authority of a Member State of the European Economic Area, other than the AMF, which has implemented the Prospectus Directive, all in accordance with Articles L.412-1 and L.621-8 of the French Monetary and Financial Code and the *Règlement général* of the AMF, and ending at the latest on the date which is 12 months after the date of the approval of the Base Prospectus; or

- (ii) Private placement in France:

it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Monetary and Financial Code.

If necessary these selling restrictions will be supplemented in the relevant Final Terms.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the “Financial Instruments and Exchange Act”). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Act (Law No. 228 of 1949, as amended)) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a Supplement to this Base Prospectus.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Base Prospectus or any other offering material relating to any Notes or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Base Prospectus, any other offering material relating to any Notes or any Final Terms and neither the Issuer nor any other Dealer shall have any responsibility therefor.

PART 1
FORM OF FINAL TERMS FOR NOTES WITH A DENOMINATION OF LESS THAN
€[100,000/50,000]¹

Final Terms dated [●]

DEXIA CRÉDIT LOCAL
Euro 40,000,000,000 Euro Medium Term Note Programme

Series No: [●]

Tranche No: [●]

Issue of [Aggregate Nominal Amount of Tranche][Title of Notes]
under the Programme

Issued by
Dexia Crédit Local

Issue Price: [●] per cent.

Name(s) of Dealer(s)

[●]

[●]

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC as amended by Directive 2010/73/EC (the "2010 PD Amending 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 Notes. Accordingly, any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer 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; or
- (ii) in those Public Offer Jurisdictions mentioned in paragraph 41 of Part A below, provided such person is one of the persons mentioned in paragraph 41 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.²

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC as amended by Directive 2010/73/EC (the "2010 PD Amending 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 Notes. Accordingly, any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation

¹ This Form of Final Terms is to be used for Notes with a denomination of less than €100,000 if the 2010 PD Amending Directive has been implemented in the Relevant Member State. Furthermore, this Form of Final Terms is to be used for Notes with a denomination of less than €100,000 in all cases where the issue is likely to be the subject of a subsequent fungible issue.

² Include this legend where a non-exempt offer of Notes is anticipated.

arises for the Issuer or any Dealer 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 Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]³

³ Include this legend where only an exempt offer of Notes is anticipated.

Part A — Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [●] [and the Supplement[s] to the Base Prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC (as amended by Directive 2010/73/EC (the "2010 PD Amending Directive") the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes 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 Supplement[s] to the Base Prospectus] [is] [are] available for viewing during normal business hours at the office of the Fiscal Agent or each of the Paying Agents and was/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, though release on the website of the Issuer ("www.dexia-creditlocal.com") or on the website of the Luxembourg Stock Exchange ("www.bourse.lu"), and copies may be obtained from Dexia Crédit Local, Tour Dexia — La Défense 2, 1, Passerelle des Reflets TSA 92202 — 92919 La Défense Cedex, France.

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") contained in the Agency Agreement dated [original date] and set forth in the Base Prospectus dated [original date] [and the Supplement[s] to the Base Prospectus dated [●]]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC (the "Prospectus Directive") and must be read in conjunction with the Base Prospectus dated [current date] [and the Supplement[s] to the Base Prospectus dated [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] [and the Supplement[s] to the Base Prospectus dated [●]] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] and [current date] [and the Supplements to the Base Prospectus dated [●] and [●]].

The Base Prospectuses [and the Supplement[s] to the Base Prospectus] are available for viewing at the office of the Fiscal Agent or each of the Paying Agents [on the website of the Luxembourg Stock Exchange ("www.bourse.lu")], or otherwise in accordance with the provisions of Article 14 of the Prospectus Directive, and copies may be obtained from Dexia Crédit Local, Tour Dexia — La Défense 2, 1, Passerelle des Reflets, TSA 92202 — 92919 La Défense Cedex, France.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]

[When adding any other final terms or information in these Final Terms, consideration should be given as to whether such terms or information constitute a "significant new factor" and consequently trigger the need for a Supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

- | | | |
|---|------------------------|--------------------|
| 1 | (i) Issuer: | Dexia Crédit Local |
| 2 | [(i)] Series Number: | [●] |
| | [(ii)] Tranche Number: | [●] |
- (If fungible with an existing Series, details of*

- that Series, including the date on which the Notes become fungible]*
- 3** Specified Currency or Currencies: [•]
- 4** Aggregate Nominal Amount:
 [(i)] Series: [•]
 [(ii)] Tranche: [•]
- 5** Issue Price of Tranche: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
- 6** (i) Specified Denominations: [•]
 (ii) Calculation Amount: [•]
- 7** (i) Issue Date: [•]
 (ii) Interest Commencement Date: [*Specify/Issue Date/Not Applicable*]
- 8** Maturity Date: [*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]⁴
- 9** Interest Basis: [[•] per cent. Fixed Rate]
 [[*specify reference rate*] +/- [•] per cent. Floating Rate]
 [Zero Coupon]
 [Index Linked Interest]
 [Other (*specify*)]
 (Further particulars specified below)
- 10** Redemption/Payment Basis:⁵ [Redemption at par]
 [Index Linked Redemption]
 [Dual Currency]
 [Partly Paid]
 [Instalment]
 [Other (*specify*)]
- 11** Change of Interest or Redemption/Payment Basis: [*Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis*]
- 12** Put/Call Options: [Noteholder Put]
 [Issuer Call]
 [(Further particulars specified below)]
- 13** (i) Status of the Notes: [Unsubordinated/Dated/Undated]
 [Deeply/Ordinary Subordinated] (if subordinated specify [Unsubordinated/Subordinated] interest and insert applicable provisions)

⁴ In the case of Subordinated Notes, the proceeds of which constitute Tier 2 Capital, the minimum maturity will be five years; in the case of Subordinated Notes, the proceeds of which constitute Tier 3 Capital, the minimum maturity will be two years.

⁵ If the Final Redemption Amount is other than 100 per cent. of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No.809/2004 will apply and the Issuer may be required to prepare and publish a supplement to the Prospectus, if applicable.

(ii) Date of the corporate authorisation for issuance of Notes: Resolution of the *Conseil d'Administration* dated [●] and a decision of [●] dated [●] (N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)

14 Method of distribution: [Syndicated/Non-syndicated]

Provisions Relating to Interest (if any) Payable

15 Fixed Rate Note Provisions

[Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (specify)] in arrear]

(ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"/not adjusted]

(iii) Fixed Coupon Amount[(s)]: [[●] per Calculation Amount/Not Applicable]

(iv) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]

(v) Day Count Fraction: [30/360/Actual/Actual(ICMA/ISDA)/other]

(vi) Determination Dates: [●] in each year (insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short, first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))

(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]

(a) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Other (give details)]

(b) Business Centre(s): [●]

16 Floating Rate Note Provisions

[Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Interest Period(s): [●]

(ii) Specified Interest Payment Dates: [●]

(iii) First Specified Interest Payment Date: [●]

(iv) Interest Period Date: [●]

(Not applicable unless different from Interest

- Payment Date)
- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (vi) Business Centre: [•]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (*give details*)]
- (viii) Calculation Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): [•]
- (ix) Screen Rate Determination:
- (a) Relevant Rate: [•]
- (b) Interest Determination Date(s): [•] [TARGET] *Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]*
- (c) Relevant Screen Page: [•]
- (x) ISDA Determination:
- (a) Floating Rate Option: [•]
- (b) Designated Maturity: [•]
- (c) Reset Date: [•]
- (d) ISDA Definitions: 2006
- (xi) Margin(s): [+/-][•] per cent. per annum/Not Applicable
- (xii) Minimum Rate of Interest: [•] per cent. per annum/Not Applicable
- (xiii) Maximum Rate of Interest: [•] per cent. per annum/Not Applicable
- (xiv) Day - Count Fraction: [•]
- (xv) Fall-back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [•]

17 Zero Coupon Note Provisions

[Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Amortisation Yield: [•] per cent. per annum
- (ii) Day Count Fraction: [•]
- (iii) Any other formula/basis of determining amount payable: [•]
- (iv) Zero Coupon Early Redemption Amount: [specify Amortised Face Amount or Zero Coupon Early Redemption Amount where Redemption Amount is variable]

18 Index Linked/Other Variable Linked Interest Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Index/Formula/Other variable:	[give or annex details]
(ii) Calculation Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[•]
(iii) Provisions for determining the Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Index and/or Formula and/or other variable:	[•]
(iv) Interest Determination Date(s):	[•]
(v) Provisions for determining the Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[•]
(vi) Interest Period(s):	[•]
(vii) Specified Interest Payment Dates:	[•]
(viii) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other <i>(give details)</i>]
(ix) Business Centre(s):	[•]
(x) Minimum Rate of Interest:	[•] per cent. per annum/Not Applicable
(xi) Maximum Rate of Interest:	[•] per cent. per annum/Not Applicable
(xii) Day Count Fraction:	[•]
19 Dual Currency Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Rate of Exchange/method of calculating Rate of Exchange:	[give details]
(ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due:	[•]
(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[•]
(iv) Person at whose option Specified Currency(ies) is/are payable:	[•]
(v) Day Count Fraction:	[•]

Provisions Relating to Redemption

- 20 Issuer Call Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [•]
 - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount
 - (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: [•] per Calculation Amount
 - (b) Maximum Redemption Amount: [•] per Calculation Amount
 - (iv) Notice period: [•]
- 21 Noteholder Put Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [•]
 - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount
 - (iii) Notice period: [•]
 - (iv) Non-Extension Option: [Applicable/Not Applicable]
 - (a) Initial Maturity Date: [•]
 - (b) Extended Maturity Date(s): [•]
 - (c) Final Extended Maturity Date: [•]
 - (d) Automatic Extension Date(s): [•]
 - (e) Automatic Extension Period: [•]
 - (f) Automatic Extension Duration: [•]
 - (g) Exercise Period(s): [•]
- 22 Final Redemption Amount of each Note** [•] per Calculation Amount
- In cases where the Final Redemption Amount is Index Linked or other variable-linked:⁶
- (i) Index/Formula[/variable]: [*give or annex details*]
 - (ii) Calculation Agent responsible for calculating the Final Redemption Amount: [•]
 - (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [•]
 - (iv) Determination Date: [•]

⁶ If the Final Redemption Amount is linked to an underlying reference or security, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the Requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply and the Issuer may be required to prepare and publish a supplement to the Prospectus, if applicable.

- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
- (vi) Payment Date: [●]
- (vii) Minimum Final Redemption Amount: [●] per Calculation Amount
- (viii) Maximum Final Redemption Amount: [●] per Calculation Amount

23 Early Redemption Amount

- (i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): [●]/[Not Applicable]
- (ii) Redemption for taxation reasons permitted on days other than Specified Interest Payment Dates: [Yes/No/Not Applicable/The provisions in Condition 8 apply]

General Provisions Applicable to the Notes

- 24 Form of Notes:
 - [Bearer Notes:**
 - [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
 - [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice]
 - [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
 - [Registered Notes:**
 - Registered Global Note ([●] nominal amount)/Registered Notes in definitive form (*specify nominal amounts*)
- 25 New Global Note: [YES/NO]
- 26 Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/*give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which items 15(ii), 16(iv) and 18(ix) relate*]
- 27 Adjusted Payment Date (Condition 7(g)): [The following business day]/[Other]
- 28 Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
- 29 Details relating to Partly Paid Notes: 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, including any right of the Issuer to forfeit the Notes and interest due on late payment]:

- | | | |
|-----------|---|---|
| 30 | Details relating to Instalment Notes (amount of each instalment and date on which payment is to be made): | [Not Applicable/ <i>give details</i>] |
| 31 | (i) Instalment Amount(s): | [•] |
| | (ii) Instalment Date(s): | [•] |
| | (iii) Minimum Instalment Amount: | [•] |
| | (iv) Maximum Instalment Amount: | [•] |
| 32 | Redenomination, renominatisation and reconventioning provisions: | [Not Applicable/The provisions [in Condition [•]] apply] |
| 33 | Consolidation provisions: | [Not Applicable/The provisions [in Condition [•]] apply] |
| 34 | Other final terms: ⁷ | [Not Applicable/ <i>give details</i>] |
| 35 | Additional Jurisdiction (Notes offered pursuant to Rule 144A only): | [Condition 16(c) shall apply/Not Applicable] |
| | Distribution | |
| 36 | If syndicated, names and addresses of Managers and underwriting commitments: | [Not Applicable/ <i>give names, addresses and underwriting commitments</i>]
[<i>(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers)</i>] |
| 37 | (i) Date of [Subscription] Agreement: | [•] |
| | (ii) Stabilising Manager(s) (if any): | [Not Applicable/ <i>give name(s)</i>] |
| 38 | If non-syndicated, name and address of Dealer: | [Not Applicable/ <i>give name and address</i>] |
| 39 | Total commission and concession: | [[•] per cent. of the Aggregate Nominal Amount/Not Applicable] |
| 40 | U.S. Selling Restrictions: | [Reg. S Compliance Category; TEFRA C/TEFRA D/TEFRA not applicable] |
| 41 | Non-exempt Offer: | [Not Applicable][An offer of the Notes may be made by the Managers [and [<i>specify, if applicable</i>]] other than pursuant to Article 3(2) of the Prospectus Directive in [<i>specify relevant Member State(s) — which must be jurisdictions where the Base Prospectus and any Supplements have been passported</i>] (the “Public Offer Jurisdictions”)] |

⁷ When adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Base Prospectus Directive.

during the period from [*specify date*] until [*specify date*] (the "Offer Period"). See paragraph 15 of Part B below.

42 Additional selling restrictions:

[Not Applicable/*give details*]

Purpose of Final Terms

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] and admission to trading on [the Luxembourg Stock Exchange or specify the relevant regulated market] of the Notes described herein pursuant to the Euro 40,000,000,000 Euro Medium Term Note Programme of Dexia Crédit Local.

Responsibility

The Issuer accepts responsibility for the information contained in these Final Terms. [(Relevant third-party information) has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

Part B — Other Information

1 Listing and Admission to Trading

[Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange [or specify the relevant regulated market] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange [or specify the relevant regulated market] with effect from [●].]

(Where documenting a fungible issue, need to indicate that original securities are already admitted to trading.)

2 Ratings⁸

Applicable:

Notes to be issued under the Programme are expected to be rated A by Standard & Poor's Rating Services and A+ by Fitch Ratings and A1 by Moody's Investors Service, Inc.

The Notes to be issued have been rated:

[S & P: [A]]

[Moody's: [A1]]

[Fitch: [A+]]

[[*Insert credit rating agency*] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[[*Insert credit rating agency*] is established in the European Union and registered under Regulation (EC) No 1060/2009.]

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009.]

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 (the "**CRA Regulation**") unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA

⁸ Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.

This disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.

Regulation and such registration is not refused.

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

3 [Notification]

[The *Commission de Surveillance du Secteur Financier*, which is the Luxembourg competent authority for the purpose of the Prospectus Directive [has been requested to provide/has provided] — *[include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues]* the *[include names of competent authorities of host Member States]* with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

4 Interests of Natural and Legal Persons Involved in the [Issue/Offer]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:⁹

“Save as discussed in Plan of Distribution, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”

5 Reasons for the Offer, Estimated Net Proceeds and Total Expenses

- | | |
|--|-------------------------------------|
| [(i) Reasons for the offer: ¹⁰ | [•]] |
| [(ii) Estimated net proceeds: ¹¹ | [•] |
| [(iii) Estimated total expenses: ¹² | [•] [Include breakdown of expenses] |

6 [Fixed Rate Notes only — Yield]

Indication of yield: [•]

Calculated as *[include details of method of calculation in summary form]* 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.

7 [Floating Rate Notes only — Historic Interest Rates]

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].

⁹ *When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.*

¹⁰ See “Use of Proceeds” wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks, will need to include those reasons here.

¹¹ If proceeds are intended for more than one use, will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses, state amount and sources of other funding.

¹² If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.

8 [Index Linked or other variable-linked Notes only — Performance of Index/Formula/Other Variable, Explanation of Effect on Value of Investment and Associated Risks and Other Information Concerning the Underlying]

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. [Where the underlying is an index, need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer, need to include details of where the information about the index can be obtained. Where the underlying is not an index, need to include equivalent information. Include other information required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]¹³

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].

9 Derivatives only — Other Information Concerning the Underlying¹⁴

Name of the issuer of the underlying security: [•]

ISIN Code: [•]

Underlying interest rate: [•]

Exercise price or final reference price of the underlying: [•]

Relevant weightings of each underlying in the basket: [•]

Description of any market disruption or settlement disruption events concerning the underlying: [•]

Adjustment rules with relation to events concerning the underlying: [•]

Source of information relating to the [Index]/[Indices]: [•]

Place where information relating to the [Index]/[Indices] can be obtained: [•]

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].

10 Derivative Securities only — Maturity/Expiration

Expiration/Maturity date of derivative securities: [•]

Exercise date or final reference date: [•]

¹³ When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.

¹⁴ Required for derivative securities.

11 *Derivative Securities only* — Settlement Procedures for Derivative Securities

Need to include a description of the settlement procedures of the derivative securities.

12 *Derivative Securities only* — Return on Derivative Securities

Return on derivative securities: [Description of how any return on derivative securities takes place]

Payment or delivery date: [•]

13 [*Dual Currency Notes only* — Performance of Rate[s] of Exchange and Explanation of Effect on Value of Investment

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]¹⁵

14 Operational Information

ISIN Code: [•]

Common Code: [•]

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/Give name(s) and number(s)] [and address(es)]

Delivery: Delivery [against/free of] payment

Dealer's Euroclear/Clearstream, Luxembourg/DTC/Euroclear France Account Number into which Notes are to be credited: Dealer's [Euroclear/Clearstream, Luxembourg/DTC/Euroclear France] Account Number

Dealer's Euroclear/Clearstream, Luxembourg/DTC/Euroclear France Account Number into which Notes are to be credited: Dealer's [Euroclear/Clearstream, Luxembourg/DTC/Euroclear France] Account Number

Names and addresses of initial Paying Agent(s): [•]

Names and addresses of additional Agent(s) (Calculation Agent, Paying Agent, if any): [•]

Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]
[Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper; that is, held under the NSS]¹⁶ and does not

¹⁵ When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.

¹⁶ Include this text for Registered Notes which are to be held under the NSS.

necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met][*Include this text if “yes” selected, in which case bearer Notes must be issued in NGN form*]

The aggregate principal amount of the Notes issued has been translated into [Euros] at the rate of [●], producing a sum of (for Notes not denominated in [Euros]): [Not applicable/[USD] [●]]

15 Terms and Conditions of the Offer

<i>Offer Price:</i>	[Issue Price][specify]
<i>Conditions to which the offer is subject:</i>	[Not Applicable/give details]
<i>Description of the application process, including time period, including any possible amendments, during which the offer will be open:</i>	[Not Applicable/give details]
<i>Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:</i>	[Not Applicable/give details]
<i>Details of the minimum and/or maximum amount of application:</i>	[Not Applicable/give details]
<i>Details of the method and time limits for paying up and delivering the Notes:</i>	[Not Applicable/give details]
<i>Manner in and date on which results of the offer are to be made public:</i>	[Not Applicable/give details]
<i>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:</i>	[Not Applicable/give details]
<i>Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:</i>	[Not Applicable/give details]
<i>Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:</i>	[Not Applicable/give details]
<i>Amount of any expenses and taxes specifically charged to the subscriber or purchaser:</i>	[Not Applicable/give details]
<i>Name(s) and address(es), to the extent known to the Issuer, of the placers in</i>	[None/give details]

*the various countries where the offer
takes place:*

PART 2
FORM OF FINAL TERMS FOR NOTES WITH A DENOMINATION OF AT LEAST
€[100,000/50,000]¹⁷

Final Terms dated [●]

DEXIA CRÉDIT LOCAL
Euro 40,000,000,000 Euro Medium Term Note Programme

Series No: [●]

Tranche No: [●]

Issue of [Aggregate Nominal Amount of Tranche][Title of Notes]
under the Programme

Issued by
Dexia Crédit Local

Issue Price: [●] per cent.

Name(s) of Dealer(s)

[●]

[●]

Part A — Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [●] [and the Supplement[s] to the Base Prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of the Directive 2003/71/EC (as amended by Directive 2010/73/EC (the "2010 PD Amending Directive") the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes 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 Supplement[s] to the Base Prospectus] [is] [are] available for viewing during normal business hours at the office of the Fiscal Agent or each of the Paying Agents and on the website of the Issuer ("www.dexia-creditlocal.com") or on the website of the Luxembourg Stock Exchange ("www.bourse.lu"), and copies may be obtained from Dexia Crédit Local, Tour Dexia — La Défense 2, 1, Passerelle des Reflets, TSA 92202 — 92919 La Défense Cedex, France.

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") contained in the Agency Agreement dated [original date] and set forth in the Base Prospectus dated [original date] [and the Supplements to the Base Prospectus dated [●]]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC as amended by Directive 2010/73/EC (the "2010 PD Amending Directive")) (the "Prospectus Directive") and must be read in conjunction with the Base Prospectus dated

¹⁷ This Form of Final Terms is to be used for Notes with a denomination of at least €100,000 if the 2010 PD Amending Directive has been implemented in the Relevant Member State.

[current date] [and the Supplements to the Base Prospectus dated [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] [and the Supplements to the Base Prospectus dated [●]] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] and [current date] [and the Supplements to the Base Prospectuses dated [●] and [●]].

The Base Prospectuses [and the Supplements to the Base Prospectuses] [is] [are] available for viewing during normal business hours at the office of the Fiscal Agent or each of the Paying Agents [or on the website of the Luxembourg Stock Exchange (“www.bourse.lu”), and copies may be obtained from Dexia Crédit Local, Tour Dexia — La Défense 2, 1, Passerelle des Reflets, TSA 92202 — 92919 La Défense Cedex, France.

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]

[When adding any other final terms or information in these Final Terms, consideration should be given as to whether such terms or information constitute a “significant new factor” and consequently trigger the need for a Supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

- | | | |
|---|--|---|
| 1 | (i) Issuer: | Dexia Crédit Local |
| 2 | [(i)] Series Number: | [●] |
| | [(ii)] Tranche Number: | [●]
<i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)</i> |
| 3 | Specified Currency or Currencies: | [●] |
| 4 | Aggregate Nominal Amount of Notes: | |
| | [(i)] Series: | [●] |
| | [(ii)] Tranche: | [●] |
| 5 | Issue Price: | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)] |
| 6 | (i) Specified Denominations: ¹⁸ | [●] |
| | (ii) Calculation Amount: | [●] |
| 7 | (i) Issue Date: | [●] |
| | (ii) Interest Commencement Date: | [Specify/Issue Date/Not applicable] |
| 8 | Maturity Date: | [Specify date or (for Floating Rate Notes), Interest Payment Date falling in or nearest to the relevant month and year] ¹⁹ |

¹⁸ If the specified denomination is expressed to be €50,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert:

“[€50,000/€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000/€199,000]. No notes in definitive form will be issued with a denomination above [€99,000/€199,000].”

¹⁹ In the case of Subordinated Notes, the proceeds of which constitute Tier 2 Capital, the minimum maturity will be five years; in the case of Subordinated Notes, the proceeds of which constitute Tier 3 Capital, the minimum maturity will be two years.

- 9** Interest Basis: [[●] per cent. Fixed Rate]
[[specify reference rate] +/- [●] per cent.
Floating Rate]
[Zero Coupon]
[Index Linked Interest]
[Other (*specify*)]
[[Further particulars specified below]]
- 10** Redemption/Payment Basis:²⁰ [Redemption at par]/[Index Linked
Redemption]/[Dual Currency]/[Partly
Paid]/[Instalment]/[Other (*specify*)]
- 11** Change of Interest or Redemption/Payment
Basis: [*Specify details of any provision for
convertibility of Notes into another interest or
redemption/payment basis*]
- 12** Put/Call Options: [Noteholder Put]
[Issuer Call]
[[Further particulars specified below]]
- 13** (i) Status of the Notes: [Unsubordinated/Dated/Undated]
[Deeply/Ordinary Subordinated] (if
subordinated *specify*
[Unsubordinated/Subordinated] interest and
insert applicable provisions)
- (ii) Date of the corporate authorisation for
issuance of Notes: Resolution of the *Conseil d'Administration*
dated [●] and a decision of [●] dated [●]
(*N.B. Only relevant where Board (or similar)
authorisation is required for the particular
tranche of Notes*)
- 14** Method of distribution: [Syndicated/Non-syndicated]
- Provisions Relating to Interest (if any) Payable**
- 15 Fixed Rate Note Provisions** [Applicable/Not Applicable]
(*If not applicable, delete the remaining
sub-paragraphs of this paragraph*)
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable
[annually/semi-annually/quarterly/monthly/other
(*specify*)] in arrear]
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with
*specify Business Day Convention and any
applicable Business Centre(s) for the definition
of "Business Day" /not adjusted*]
- (iii) Fixed Coupon Amount[(s)]: [[●] per Calculation Amount/Not Applicable]
- (iv) Broken Amount(s): [●] per Calculation Amount payable on the
Interest Payment Date falling [in/on] [●]
- (v) Day Count Fraction: [30/360/Actual/Actual(ICMA/ISDA)/other]

²⁰ If the Final Redemption Amount is other than 100 per cent. of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No.809/2004 will apply and the Issuer may be required to prepare and publish a supplement to the Prospectus, if applicable.

(vi) Determination Dates: [•] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*)

(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]

(a) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Other (*give details*)]

(b) Business Centre(s): [•]

16 Floating Rate Note Provisions

[Applicable/Not Applicable]
(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Interest Period(s): [•]

(ii) Specified Interest Payment Dates: [•]

(iii) First Specified Interest Payment Date: [•]

(iv) Interest Period Date: [•]
(Not applicable unless different from Interest Payment Date)

(v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]

(vi) Business Centre(s): [•]

(vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (*give details*)]

(viii) Calculation Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): [•]

(ix) Screen Rate Determination:

(a) Reference Rate: [•]

(b) Interest Determination Date(s): [•] [TARGET] *Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]*

(c) Relevant Screen Page: [•]

(x) ISDA Determination:

(a) Floating Rate Option: [•]

(b) Designated Maturity: [•]

(c) Reset Date: [•]

(d) ISDA Definitions: 2006

(xi) Margin(s):	[+/-][●] per cent. per annum
(xii) Minimum Rate of Interest:	[●] per cent. per annum
(xiii) Maximum Rate of Interest:	[●] per cent. per annum
(xiv) Day Count Fraction:	[●]
(xv) Fall-back provisions, rounding provisions, denominator and other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
17 Zero Coupon Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Amortisation Yield:	[●] per cent. per annum
(ii) Day Count Fraction:	[●]
(iii) Any other formula/basis of determining amount payable:	[●]
(iv) Zero Coupon Early Redemption Amount:	[specify Amortised Face Amount or Zero Coupon Early Redemption Amount where Redemption Amount is variable]
18 Index Linked Interest Note/other variable-linked Interest Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Index/Formula/other variable:	[give or annex details]
(ii) Calculation Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[●]
(iii) Provisions for determining the Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Index and/or Formula and/or other variable:	[●]
(iv) Interest Determination Date(s):	[●]
(v) Provisions for determining the Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable (or otherwise disrupted):	[●]
(vi) Interest Period(s):	[●]
(vii) Specified Interest Payment Dates:	[●]
(viii) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other <i>(give details)</i>]

	(ix) Business Centre(s):	[•]
	(x) Minimum Rate of Interest:	[•] per cent. per annum
	(xi) Maximum Rate of Interest:	[•] per cent. per annum
	(xii) Day Count Fraction:	[•]
19	Dual Currency Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Rate of Exchange/method of calculating Rate of Exchange:	[give details]
	(ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due:	[•]
	(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[•]
	(iv) Person at whose option Specified Currency(ies) is/are payable:	[•]
	(v) Day Count Fraction:	[•]
	Provisions Relating to Redemption	
20	Issuer Call Option	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Optional Redemption Date(s):	[•]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[•] per Calculation Amount
	(iii) If redeemable in part:	
	(a) Minimum Redemption Amount:	[•] per Calculation Amount
	(b) Maximum Redemption Amount:	[•] per Calculation Amount
	(iv) Notice period:	[•]
21	Noteholder Put Option	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Optional Redemption Date(s):	[•]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[•] per Calculation Amount
	(iii) Notice period:	[•]
	(iv) Non-Extension Option:	[Applicable/Not Applicable]
	(a) Initial Maturity Date:	[•]
	(b) Extended Maturity Date(s):	[•]
	(c) Final Extended Maturity Date:	[•]

- (d) Automatic Extension Date(s): [•]
- (e) Automatic Extension Period: [•]
- (f) Automatic Extension Duration: [•]
- (g) Exercise Period(s): [•]

22 Final Redemption Amount of each Note [•] per Calculation Amount

In cases where the Final Redemption Amount is Index Linked or other variable linked:²¹:

- (i) Index/Formula[/variable]: [give or annex details]
- (ii) Calculation Agent responsible for calculating the Final Redemption Amount: [•]
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [•]
- (iv) Determination Date(s): [•]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [•]
- (vi) Payment Date: [•]
- (vii) Minimum Final Redemption Amount: [•] per Calculation Amount
- (viii) Maximum Final Redemption Amount: [•] per Calculation Amount

23 Early Redemption Amount

- (i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): [•]/[Not Applicable]
- (ii) Redemption for taxation reasons permitted on days other than Specified Interest Payment Dates: [Yes/No/Not Applicable/Provisions of Condition 8 apply]

General Provisions Applicable to the Notes

24 Form of Notes

[Bearer Notes:

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited

²¹ If the Final Redemption Amount is linked to an underlying reference or security, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the Requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply and the Issuer may be required to prepare and publish a supplement to the Base Prospectus., if applicable.

- circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice]
- [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]]
- [Registered Notes:**
Registered Global Note ([•] nominal amount)/Registered Notes in definitive form (*specify nominal amounts*)
- 25** New Global Note: [YES]/[NO]
- 26** Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/*give details. Note that this paragraph relates to the date and place of payment and not interest period end dates, to which items 15(ii), 16(iv) and 18(ix) relate*]
- 27** Adjusted Payment Date (Condition 7(g)): [the following business day]/[other]
- 28** Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
- 29** Details relating to Partly Paid Notes: 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, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/*give details*]
- 30** Details relating to Instalment Notes redeemable in instalments (amount of each instalment, date on which payment is to be made): [Not Applicable/*give details*]
- 31** (i) Instalment Amount(s): [•]
(ii) Instalment Date(s): [•]
(iii) Minimum Instalment Amount: [•]
(iv) Maximum Instalment Amount: [•]
- 32** Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition [•]] apply]
- 33** Consolidation provisions: [Not Applicable/The provisions [in Condition [•]] apply]
- 34** Other final terms: [Not Applicable/*give details*]²²
- 35** Additional Jurisdiction (Notes offered pursuant to Rule 144A only): [Condition 16(c) shall apply/Not Applicable]

Distribution

²² When adding any other final terms consideration should be given as to whether such terms constitute a "significant new factor" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.

- 36 (i) If syndicated, names of Managers: [Not Applicable/*give names*]
(ii) Stabilising Manager(s) (if any): [Not Applicable/*give name(s)*]
- 37 If non-syndicated, name and address of Dealer: [Not Applicable/*give name*]
- 38 U.S. Selling Restrictions: [Reg. S Compliance Category; TEFRA C/TEFRA D/TEFRA not applicable]
- 39 Additional selling restrictions: [Not Applicable/*give details*]

Purpose of Final Terms

These Final Terms comprise the final terms required for issue and admission to trading on [the Luxembourg Stock Exchange or specify relevant regulated market] of the Notes described herein pursuant to the Euro 40,000,000,000 Euro Medium Term Note Programme of Dexia Crédit Local.

Responsibility

The Issuer accepts responsibility for the information contained in these Final Terms. [(Relevant third-party information) has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

Part B — Other Information

1 Listing and Admission To Trading

(i) Admission to trading:

[Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange [or specify relevant regulated market] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange [or specify relevant regulated market] with effect from [●].]

(Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading.)

(ii) Estimate of total expenses related to admission to trading: [●]

2 Ratings

Applicable:

Notes to be issued under the Programme are expected to be rated A by Standard & Poor's Rating Services and A+ by Fitch Ratings and A1 by Moody's Investors Service, Inc.

The Notes to be issued have been rated:

[S & P: [A]]

[Moody's: [A1]]

[Fitch: [A+]]

[[Insert credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[[Insert credit rating agency] is established in the European Union and registered under Regulation (EC) No 1060/2009.]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009.]

In general, European regulated investors are restricted from using a rating for regulatory

purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 (the “**CRA Regulation**”) unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

3 [Notification]

[The *Commission de Surveillance du Secteur Financier*, which is the Luxembourg competent authority for the purpose of the Prospectus Directive, [has been requested to provide/has provided] — [include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [include names of competent authorities of host Member States] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

4 Interests of Natural and Legal Persons Involved in the [Issue/Offer]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:²³

“Save as discussed in Plan of Distribution, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”

5 [Reasons for the Offer, Estimated Net Proceeds and Total Expenses]

[(i)] Reasons for the offer:²⁴ [•]

[(ii)] Estimated net proceeds:²⁵ [•]

[(iii)] Estimated total expenses:²⁶ [•]

6 [Fixed Rate Notes only — Yield]

²³ When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.

²⁴ See “Use of Proceeds” wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.

²⁵ If proceeds are intended for more than one use, will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses, state amount and sources of other funding.

²⁶ If the Notes are derivative securities for which Annex XII of the Prospectus Directive Regulation applies, it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.

Indication of yield:

[•]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

7 *[Index Linked or other variable linked Interest Notes only — Performance of Index/Formula/Other Variable, Explanation of Effect on Value of Investment and Associated Risks and Other Information Concerning the Underlying*

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained. Where the underlying is an index, need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer, need to include details of where the information about the index can be obtained. Where the underlying is not an index, need to include equivalent information. Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]²⁷

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].

8 *Derivatives only — Other Information Concerning the Underlying*²⁸

Name of the issuer of the underlying security: [•]

ISIN Code: [•]

Underlying interest rate: [•]

Exercise price or final reference price of the underlying: [•]

Relevant weightings of each underlying in the basket: [•]

Description of any market disruption or settlement disruption events concerning the underlying: [•]

Adjustment rules with relation to events concerning the underlying: [•]

Source of information relating to the [Index]/[Indices]: [•]

Place where information relating to the [Index]/[Indices] can be obtained: [•]

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].

9 *Derivative Securities only — Maturity/Expiration*

Expiration/Maturity date of derivative securities: [•]

Exercise date or final reference date: [•]

²⁷ When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.

²⁸ Required for derivative securities.

10 Derivative Securities only — Settlement Procedures for Derivative Securities

Need to include a description of the settlement procedures of the derivative securities.

11 Derivative Securities only — Return on Derivative Securities

Return on derivative securities: [Description of how any return on derivative securities takes place]

Payment or delivery date: [•]

Method of calculation: [•]

12 Dual Currency Notes only — Performance of Rate[s] of Exchange

[Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained.]²⁹

13 Operational Information

ISIN Code: [•]

Common Code: [•]

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*, and the relevant identification number(s): [Not Applicable/give name(s) and number(s)[and address(es)]

Delivery: Delivery [against/free of] payment

Dealer's Euroclear/Clearstream, Luxembourg/DTC/Euroclear France Account Number into which Notes are to be credited: Dealer's [Euroclear/Clearstream, Luxembourg/DTC/Euroclear France] Account Number

Names and addresses of initial Paying Agent(s): [•]

Names and addresses of additional Agent(s) (Calculation Agent or Paying Agent, if any): [•]

Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]

[Note that the designation “yes” simply means that the Notes are intended, upon issue, to be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is held under the NSS]³⁰ and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][*Include this text if “yes” selected, in which case bearer Notes must be*

²⁹ When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.

³⁰ Include this text for Registered Notes which are to be held under the NSS.

issued in NGN form]

The aggregate principal amount of the Notes issued has been translated into [Euros] at the rate of [●], producing a sum of (for Notes not denominated in [Euros]):

[Not applicable/[USD] [●]]

PART 3
FORM OF FINAL TERMS FOR NOTES OF ANY DENOMINATION WHICH ARE NOT
ADMITTED TO TRADING ON A REGULATED MARKET SITUATED WITHIN A MEMBER
STATE AND WHICH ARE “EXEMPT OFFERS” UNDER ARTICLE 3 OF THE PROSPECTUS
DIRECTIVE

Final Terms dated [●]

DEXIA CRÉDIT LOCAL
Euro 40,000,000,000 Euro Medium Term Note Programme

Series No: [●]

Tranche No: [●]

Issue of [Aggregate Nominal Amount of Tranche][Title of Notes]
under the Programme

Issued by
Dexia Crédit Local

Issue Price: [●] per cent.

Name(s) of Dealer(s)

[●]

[●]

Part A — Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [●] [and the Supplement[s] to the Base Prospectus dated [●]]. This document constitutes the Final Terms of the Notes and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes 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 Supplement[s] to the Base Prospectus] [is] [are] available for viewing during normal business hours at the office of the Fiscal Agent or each of the Paying Agents.

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]

- | | | |
|----------|------------------------------------|---|
| 1 | Issuer: | Dexia Crédit Local |
| 2 | (i) Series Number: | [●] |
| | (ii) Tranche Number: | [●] |
| 3 | Specified Currency or Currencies: | [●] |
| 4 | Aggregate Nominal Amount of Notes: | |
| | [(i)] Series: | [●] |
| | [(ii)] Tranche: | [●] |
| 5 | Issue Price: | [●] per cent. of the Aggregate Nominal Amount
[plus accrued interest from [insert date] (if applicable)] |

6	(i) Specified Denominations ¹ :	[●]
	(ii) Calculation Amount:	[●]
7	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	[Specify/Issue Date/Not applicable]
8	Maturity Date:	[Specify date or (for Floating Rate Notes), Interest Payment Date falling in or nearest to the relevant month and year] ²
9	Interest Basis:	[[●] per cent. Fixed Rate] [[specify reference rate] +/- [●] per cent. Floating Rate] [Zero Coupon] [Index Linked Interest] [Other (specify)] (Further particulars specified below)
10	Redemption/Payment Basis:	[Redemption at par]/[Index Linked Redemption]/[Dual Currency]/[Partly Paid]/[Instalment]/[Other (specify)]
11	Change of Interest or Redemption/Payment Basis:	[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]
12	Put/Call Options:	[Noteholder Put] [Issuer Call] [(Further particulars specified below)]
13	(i) Status of the Notes:	[Unsubordinated/Dated/Undated] [Deeply/Ordinary Subordinated] (if subordinated specify [Unsubordinated/Subordinated] interest and insert applicable provisions)
	(ii) Date of the corporate authorisation for issuance of Notes:	Resolution of the <i>Conseil d'Administration</i> dated [●] and a decision of [●] dated [●]
14	Method of distribution:	[Syndicated/Non-syndicated]
Provisions Relating to Interest (if any) Payable		
15	Fixed Rate Note Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Rate[(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/ other (specify)] in arrear]
	(ii) Interest Payment Date(s):	[●] in each year [adjusted in accordance with

¹ If the specified denomination is expressed to be €50,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert:

"[€50,000/€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000/€199,000]. No notes in definitive form will be issued with a denomination above [€99,000/€199,000]."

² In the case of Subordinated Notes, the proceeds of which constitute Tier 2 Capital, the minimum maturity will be five years; in the case of Subordinated Notes, the proceeds of which constitute Tier 3 Capital, the minimum maturity will be two years.

		[specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"/not adjusted]
(iii)	Fixed Coupon Amount[(s)]:	[[●] per Calculation Amount/Not Applicable]
(iv)	Broken Amount(s):	[●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]
(v)	Day Count Fraction:	[30/360/Actual/Actual(ICMA/ISDA)/other]
(vi)	Determination Dates:	[●] in each year (insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))
(vii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/give details]
	(a) Business Day Convention	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Other (give details)]
	(b) Business Centre(s):	[●]
16	Floating Rate Note Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
(i)	Interest Period(s):	[●]
(ii)	Specified Interest Payment Dates:	[●]
(iii)	First Specified Interest Payment Date:	[●]
(iv)	Interest Period Date:	[●] (Not applicable unless different from Interest Payment Date)
(v)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
(vi)	Business Centre(s):	[●]
(vii)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/other (give details)]
(viii)	Calculation Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[●]
(ix)	Screen Rate Determination:	
	(a) Reference Rate:	[●]
	(b) Interest Determination Date(s):	[●] [TARGET] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]

- (c) Relevant Screen Page: [●]
- (x) ISDA Determination:
 - (a) Floating Rate Option: [●]
 - (b) Designated Maturity: [●]
 - (c) Reset Date: [●]
 - (d) ISDA Definitions: 2006
- (xi) Margin(s): [+/-][●] per cent. per annum
- (xii) Minimum Rate of Interest: [●] per cent. per annum
- (xiii) Maximum Rate of Interest: [●] per cent. per annum
- (xiv) Day Count Fraction: [●]
- (xv) Fall-back provisions, rounding provisions, denominator and other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [●]
- 17 Zero Coupon Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
 - (i) Amortisation Yield: [●] per cent. per annum
 - (ii) Day Count Fraction: [●]
 - (iii) Any other formula/basis of determining amount payable: [●]
 - (iv) Zero Coupon Early Redemption Amount: [specify Amortised Face Amount or Zero Coupon Early Redemption Amount where Redemption Amount is variable]
- 18 Index Linked Interest Note/other variable linked Interest Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
 - (i) Index/Formula/other variable: [give or annex details]
 - (ii) Calculation Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): [●]
 - (iii) Provisions for determining the Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Index and/or Formula and/or other variable: [●]
 - (iv) Interest Determination Date(s): [●]
 - (v) Provisions for determining the Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable (or otherwise disrupted): [●]

(vi) Interest Period(s):	[●]
(vii) Specified Interest Payment Dates:	[●]
(viii) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other <i>(give details)</i>]
(ix) Business Centre(s):	[●]
(x) Minimum Rate of Interest:	[●] per cent. per annum
(xi) Maximum Rate of Interest:	[●] per cent. per annum
(xii) Day Count Fraction:	[●]
19 Dual Currency Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Rate of Exchange/method of calculating Rate of Exchange:	[give details]
(ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due:	[●]
(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[●]
(iv) Person at whose option Specified Currency(ies) is/are payable:	[●]
(v) Day Count Fraction:	[●]
Provisions Relating to Redemption	
20 Issuer Call Option	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Optional Redemption Date(s):	[●]
(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
(iii) If redeemable in part:	
(a) Minimum Redemption Amount:	[●] per Calculation Amount
(b) Maximum Redemption Amount:	[●] per Calculation Amount
(iv) Notice period:	[●]
21 Noteholder Put Option	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Optional Redemption Date(s):	[●]
(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount

- (iii) Notice period: [•]
- (iv) Non-Extension Option: [Applicable/Not Applicable]
 - (a) Initial Maturity Date: [•]
 - (b) Extended Maturity Date(s): [•]
 - (c) Final Extended Maturity Date: [•]
 - (d) Automatic Extension Date(s): [•]
 - (e) Automatic Extension Period: [•]
 - (f) Automatic Extension Duration: [•]
 - (g) Exercise Period(s): [•]

22 Final Redemption Amount of each Note [•] per Calculation Amount

In cases where the Final Redemption Amount is Index Linked or other variable linked:

- (i) Index/Formula[/variable]: [*give or annex details*]
- (ii) Calculation Agent responsible for calculating the Final Redemption Amount: [•]
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [•]
- (iv) Determination Date(s): [•]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [•]
- (vi) Payment Date: [•]
- (vii) Minimum Final Redemption Amount: [•] per Calculation Amount
- (viii) Maximum Final Redemption Amount: [•] per Calculation Amount

23 Early Redemption Amount

- (i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): [•]/[Not Applicable]
- (ii) Redemption for taxation reasons permitted on days other than Specified Interest Payment Dates: [Yes/No/Not Applicable/Provisions of Condition 8 apply]

General Provisions Applicable to the Notes

- 24 Form of Notes:** [Bearer Notes:
[Temporary Global Note exchangeable for a Permanent Global Note which is

		exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
		[Temporary Global Note exchangeable for Definitive Notes on [●] days' notice]
		[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]]
		[Registered Notes:
		Registered Global Note ([●] nominal amount)/Registered Notes in definitive form (<i>specify nominal amounts</i>)]
25	New Global Note:	[NO]
26	Financial Centre(s) or other special provisions relating to payment dates:	[Not Applicable/ <i>give details</i> . <i>Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which items 15(ii), 16(iv) and 18(ix) relate</i>]
27	Adjusted Payment Date (Condition 7(g)):	[the following business day]/[other]
28	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No. <i>If yes, give details</i>]
29	Details relating to Partly Paid Notes: 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, including any right of the Issuer to forfeit the Notes and interest due on late payment:	[Not Applicable/ <i>give details</i>]
30	Details relating to Instalment Notes redeemable in instalments (amount of each instalment, date on which payment is to be made):	[Not Applicable/ <i>give details</i>]
	(i) Instalment Amount(s):	
	(ii) Instalment Date(s):	[●]
	(iii) Minimum Instalment Amount:	[●]
	(iv) Maximum Instalment Amount:	[●]
31	Redenomination, renominatisation and reconventioning provisions:	[Not Applicable/The provisions [in Condition [●]] apply]
32	Consolidation provisions:	[Not Applicable/The provisions [in Condition [●]] apply]
33	Other final terms:	[Not Applicable/ <i>give details</i>]
34	Additional Jurisdiction (Notes offered pursuant to Rule 144A only):	[Condition 16(c) shall apply/Not Applicable]
Distribution		
35	(i) If syndicated, names of Managers:	[Not Applicable/ <i>give names</i>]

- (ii) Stabilising Manager(s) (if any): [Not Applicable/*give name(s)*]
- 36** If non-syndicated, name and address of Dealer: [Not Applicable/*give name*]
- 37** U.S. Selling Restrictions: [Reg. S Compliance Category; TEFRA C/TEFRA D/TEFRA not applicable]
- 38** Additional selling restrictions: [Not Applicable/*give details*]

Responsibility

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

Signed on behalf of the Issuer:

By:

Duly authorised

Part B — Other Information

1 Ratings

Applicable

Notes to be issued under the Programme are expected to be rated A by Standard & Poor's Rating Services and A+ by Fitch Ratings and A1 by Moody's Investors Service, Inc.

The Notes to be issued have been rated:

[S & P: [A]]

[Moody's: [A1]]

[Fitch: [A+]]

[[Insert credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[[Insert credit rating agency] is established in the European Union and registered under Regulation (EC) No 1060/2009.]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009.]

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 (the "**CRA Regulation**") unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

2 [Reasons for the Offer, Estimated Net Proceeds and Total Expenses]

[(i)] Reasons for the offer: [•]

[(ii)] Estimated net proceeds: [•]

[(iii)] Estimated total expenses: [•]

3 Operational Information

ISIN Code: [•]

Common Code:	[●]
Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, <i>société anonyme</i> and the relevant identification number(s):	[Not Applicable/ <i>give name(s) and number(s)</i>][and address(es)]
Delivery:	Delivery [against/free of] payment
Dealer's Euroclear/Clearstream, Luxembourg/DTC/Euroclear France Account Number into which Notes are to be credited:	Dealer's [Euroclear/Clearstream, Luxembourg/DTC/Euroclear France] Account Number
Names and addresses of initial Paying Agent(s):	[●]
Names and addresses of additional Agent(s) (Calculation Agent or Paying Agent, if any):	[●]
Intended to be held in a manner which would allow Eurosystem eligibility:	[No]
The aggregate principal amount of the Notes issued has been translated into [Euros] at the rate of [●], producing a sum of (for Notes not denominated in [Euros]):	[Not applicable/[USD] [●]]

GENERAL INFORMATION

1. No authorisation procedures are required of the Issuer in the Republic of France in connection with the establishment or update of the Programme. However, to the extent that Notes issued under the Programme may constitute *obligations* under French Law, the resolution of the Board of Directors of the Issuer dated 5 August 2010 in relation to the issue of Notes provides a maximum aggregate principal amount of €25,000,000,000 Notes to be issued in any year.
2. The Issuer is a European Authorised Institution for the purposes of the Financial Services Authority.
3. Each Bearer Note and Coupon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.
4. Neither the Issuer nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had, during the 12 months preceding the date of this Base Prospectus, significant effects on the financial position or profitability of the Issuer or any of its subsidiaries nor so far as the Issuer is aware is any such governmental, legal or arbitration proceeding pending or threatened.
5. Except as disclosed in this Base Prospectus, there has been no significant change in the consolidated financial or trading position or prospects of the Issuer or any of its subsidiaries which is material in the context of the Programme or the issue and offering of the Notes thereunder since 30 June 2010 and no material adverse change in the financial position or prospects of the Issuer or of the Issuer and its consolidated subsidiaries since 31 December 2009.
6. Save as disclosed in this Base Prospectus, the Issuer has not entered into contracts outside the ordinary course of the Issuer’s business, which could result in the Issuer or any member of the Dexia Crédit Local Group being under an obligation or entitlement that is material to the Issuer’s ability to meet its obligation to holders of Notes in respect of the Notes being issued.
7. The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The Common Code, the International Securities Identification Number (“ISIN”) and (where applicable) the Euroclear, France number for each Series of Notes will be set out in the relevant Final Terms. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 avenue JF Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg. The address of any alternative clearing system will be specified in the applicable Final Terms.
8. For so long as the Programme remains in effect or any Notes remain outstanding, the following documents (including English translations where applicable) will be available during usual business hours on any weekday (Saturdays and public holidays excepted) for inspection at (and, in the case of the documents specified in sub-paragraphs (i), (v) and (vi) below, copies may be obtained from) the registered office of the Issuer, the office of the Fiscal Agent in Luxembourg and from the offices of the Paying Agents:
 - (i) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus;
 - (ii) the Agency Agreement (which includes the form of the Global Notes, Global Certificates, definitive Notes in Bearer form, the Certificates, the Coupons, Receipts and Talons), together with any Supplement to the Agency Agreement;
 - (iii) the Deed of Covenant;

- (iv) the *Statuts* of the Issuer;
 - (v) the audited annual accounts of the Issuer (non-consolidated and consolidated) for the two most recent financial years and the most recent consolidated interim schedule of activity and income or interim six months consolidated financial statements, as the case may be, of the Issuer; and
 - (vi) each Final Terms for Notes listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market or listed on any other stock exchange.
9. In accordance with French law, Dexia Crédit Local is required to have a minimum of two statutory auditors (*commissaires aux comptes*) and two substitute statutory auditors. The statutory auditors are currently Deloitte & Associés (represented by Jose Luis Garcia, Partner — Substitute: BEAS) and Mazars & Guérard (represented by Hervé Helias, Partner and Virginie Chauvin, Partner — Substitute: Charles de Boisriou). Deloitte & Associés and Mazars & Guérard are regulated by the *Haut Conseil du Commissariat aux Comptes*, are duly authorised as *Commissaires aux comptes* and are members of the *Compagnie Nationale des Commissaires aux Comptes*. The consolidated financial statements of the Issuer have been audited for the two financial years preceding the date of this Base Prospectus by Deloitte & Associés (represented by François J. Arbey, Partner and Jose Luis Garcia, Partner for the year ending in December 2008 and by Jose Luis Garcia, Partner for the year ending in December 2009) and Mazars (represented by Hervé Helias, Partner for the year ending in December 2008 and by Hervé Helias, Partner and Virginie Chauvin, Partner for the year ending in December 2009. Deloitte & Associés and Mazars have reviewed and have rendered reports on the limited review of the interim financial statements of the Issuer for the six-month period ended 30 June 2010.
10. The Issuer has agreed that, for so long as any Notes are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer will, during any period in which it is neither subject to Section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, in each case upon the request of such holder, beneficial owner or, prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the Securities Act.
11. The Issuer is a *société anonyme* organised under the laws of France. All of the directors and executive officers of the Issuer except one is resident outside of the United States, and all or a substantial portion of the assets of the Issuer and such persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any State or territory within the United States.
12. This Base Prospectus includes “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical facts included in this Base Prospectus, including, without limitation, those regarding the Issuer’s financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer’s present and future business strategies and the environment in which the Issuer will operate in the future. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under Risk Factors. These forward-looking statements speak only as of the date of this Base Prospectus.

The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

13. This Base Prospectus and each set of Final Terms issued in connection with Notes listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange will be published in electronic form on the website of the Luxembourg Stock Exchange ("www.bourse.lu"). The Final Terms issued in respect of any Notes admitted to trading on a stock exchange other than the Regulated Market will be available free of charge at the registered office of the Issuer and from the office of the Paying Agent with a specified office in the city of such stock exchange.

HEAD AND REGISTERED OFFICE OF THE ISSUER

Dexia Crédit Local
Tour Dexia
La Défense 2
1, Passerelle des Reflets
92913
La Défense Cedex
France

DEALERS

BNP Paribas
10 Harewood Avenue
London NW1 6AA
United Kingdom

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Credit Suisse Securities (Europe) Limited
One Cabot Square
London E14 4QJ
United Kingdom

**Dexia Banque Internationale à Luxembourg,
société anonyme acting under the name of Dexia
Capital Markets**
69 route d'Esch
L-1470 Luxembourg
Grand Duchy of Luxembourg

Dexia Crédit Local
Tour Dexia
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1, Passerelle des Reflets
92913
La Défense Cedex
France

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

J.P. Morgan Securities Ltd.
125 London Wall
London EC2Y 5AJ
United Kingdom

Merrill Lynch International
2 King Edward Street
London EC1A 1HQ
United Kingdom

Morgan Stanley & Co. International plc
25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom

Nomura International plc
Nomura House
1 St Martin's-le-Grand
London EC1A 4NP
United Kingdom

Société Générale
29, Boulevard Haussmann
75009 Paris
France

UBS Limited
1 Finsbury Avenue
London EC2M 2PP
United Kingdom

ARRANGER

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

STATUTORY AUDITORS TO THE ISSUER

Deloitte & Associés
185, avenue Charles de Gaulle
92524 Neuilly-sur-Seine
France

Mazars
Exaltis
61, rue Henri Regnault
92075 — La Défense
France

**FISCAL AGENT, PRINCIPAL PAYING AGENT, REDENOMINATION AGENT, CONSOLIDATION AGENT,
TRANSFER AGENT, REGISTRAR, CALCULATION AGENT AND EXCHANGE AGENT**

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

PAYING AGENTS AND TRANSFER AGENTS

Citibank, N.A., London
14th Floor, Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Dexia Bank Belgium S.A.
44, Boulevard Pachéco
B-1000 Brussels
Belgium

LUXEMBOURG STOCK EXCHANGE LISTING AGENT

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

LEGAL ADVISERS

*To the Issuer
in respect of French law*

Allen & Overy LLP
Edouard VII
26, boulevard des Capucines
75009 Paris
France

*To the Dealers
in respect of English and U.S. law*

Linklaters LLP
25, rue de Marignan
75008 Paris
France