

FINAL TERMS dated 17 March 2006

DEXIA MUNICIPAL AGENCY
(the “Issuer”)

Euro 75,000,000,000
Euro Medium Term Note Programme
for the issue of *Obligations Foncières*
Due from one month from the date of the original issue

SERIES NO: 245
TRANCHE NO: 1

EUR 100,000,000 Fixed Rate to Floating Rate
***Obligations Foncières* due 20 March 2026**

Issue Price: 100.00 per cent.

BNP Paribas, London Branch

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 18 August 2005 and the Supplements to the Base Prospectus dated 18 November 2005 and 10 January 2006 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”).

This document constitutes the Final Terms of the *Obligations Foncières* described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer and the offer of the *Obligations Foncières* is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus and the Supplements to the Base Prospectus are available for viewing at the office of the Fiscal Agent or each of the Paying Agents and on the website of the Luxembourg Stock Exchange, and copies may be obtained from Dexia Municipal Agency, Tour Cristal, 7-11 Quai André Citroën, 75015 Paris, France.

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| 1. | Issuer: | Dexia Municipal Agency |
| 2. | (i) Series Number: | 245 |
| | (ii) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | Euro (“ EUR ”) |
| 4. | Aggregate Nominal Amount of <i>Obligations Foncières</i> admitted to trading: | |
| | (i) Series: | EUR 100,000,000 |
| | (ii) Tranche: | EUR 100,000,000 |
| 5. | Issue Price: | 100.00 per cent. of the Aggregate Nominal Amount |
| 6. | Specified Denominations: | EUR 50,000 |
| 7. | (i) Issue Date: | 20 March 2006 |
| | (ii) Interest Commencement Date: | 20 March 2006 |
| 8. | Maturity Date: | 20 March 2026 |
| 9. | Interest Basis: | Fixed Rate to Floating Rate
(further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par |

11. Change of Interest or Redemption/Payment Basis:
1. 6.10 per cent. Fixed Rate, for the period from and including the Interest Commencement Date to but excluding 20 March 2009;
 - automatically converting on 20 March 2009 to
 2. Floating Rate, for the period from and including 20 March 2009 to but excluding the Maturity Date and subject to the Issuer's Switching Rate Option (as defined below)
12. Call Options: No
13. (i) Status of the *Obligations Foncières*: *Obligations Foncières*
- (ii) Dates the corporate authorisations for issuance of the *Obligations Foncières*: Decision of the *Directoire* of Dexia Municipal Agency dated 27 February 2006 deciding the issue of the *Obligations Foncières* and authorising Mr Philippe DUCOS, President, or any of its *Directeurs Généraux* officers the power to sign and execute all documents in relation to the issue of the *Obligations Foncières*
14. Method of distribution: Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate *Obligation Foncière* Provisions** Applicable for the period from and including 20 March 2006 to but excluding 20 March 2009
- (i) Rate(s) of Interest: 6.10 per cent. per annum payable semi-annually in arrear
 - (ii) Interest Payment Date(s): 20 September and 20 March in each year from and including 20 September 2006 to and including 20 March 2009.
 - (iii) Fixed Coupon Amount(s): EUR 1,525 per EUR 50,000 in nominal amount
 - (iv) Initial Broken Amount(s): Not Applicable
 - (v) Day Count Fraction (Condition 5(a)): 30/360, unadjusted
 - (vi) Determination Dates (Condition 5(a)): Not Applicable
 - (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes *Obligations Foncières*: Not Applicable
16. **Floating Rate *Obligation Foncière* Provisions** Applicable for the period from and including 20 March 2009 to but excluding the Maturity Date

- (i) Interest Period(s): The period from (and including) 20 March 2009 to (but excluding) the first Specified Interest Payment Date and, thereafter, each period from (and including) a Specified Interest Payment Date to (but excluding) the next Specified Interest Payment Date
- (ii) Specified Interest Payment Dates: 20 March and 20 September in each year from and including 20 September 2009 to and including the Maturity Date
- (iii) Business Day Convention: Not Applicable
- (iv) Business Centre(s) (Condition 5(c)): Not Applicable
- (v) Manner in which the Rate of Interest is/are to be determined: A) If the Issuer never triggers the **Switching Rate Option** (as defined below) :
- From and including 20 March 2009 to but excluding the Maturity Date, the Rate of Interest per Specified Denomination shall be determined by the Calculation Agent as follows:
- $$\text{Rate of Interest} = 10 * (\text{USDCMS10Y} - \text{USDCMS2Y}) + 3\%$$
- Subject to a minimum Rate of Interest of zero per cent. per annum
- Subject to a maximum Rate of Interest of six per cent. per annum
- Where:**
- USDCMS10Y** means the semi-annual swap rate expressed as a percentage for a USD LIBOR interest rate swap transaction with a term equal to 10 years fixed at (or about) 11.00am New York time which appears on the Reuters screen ISDAFIX1 page under the heading “USD 11:00 AM” (or such other page or service which displays such information) on each Interest Determination Date.
- USDCMS2Y** means the semi-annual swap rate expressed as a percentage for a USD LIBOR interest rate swap transaction with a term equal to 2 years which appears at (or about) 11.00am New York time on the Reuters screen ISDAFIX1 page under the heading “USD 11:00 AM” (or such other page or service which displays such information) on each Interest Determination Date.
- Interest Determination Date** means two New York business days prior to the first day of the relevant Interest Period.

If, on the relevant Interest Determination Date, the Calculation Agent acting in its sole and absolute discretion determines that USDCMS10Y and/or USDCMS2Y, as the case may be:

- does/do not appear on Reuters ISDAFIX1 (or any successor or other relevant page); or
- for any other reason, is/are unavailable or cannot reasonably be calculated

then USDCMS10Y and/or USDCMS2Y, as the case may be, shall be the rate(s) determined by the Calculation Agent as the USD-CMS-Reference Banks as defined in the 2000 ISDA Definitions provided that :

- "Reset Date" shall mean the first day of the Interest Period.

- "on the day that is two U.S. Government Securities Business Days preceding that Reset Date" shall be replaced by "on the Interest Determination Date".

- "Designated Maturity" shall mean ten years or two years, as the case may be.

B) If the Issuer does trigger the Switching Rate Option (as defined below):

From and including the first day of the Interest Period immediately following the Switching Rate Date to and including the Maturity Date, the Rate of Interest per Specified Denomination payable shall be determined as follows:

6 month EURIBOR + Margin

Subject to a Minimum Rate of Interest equal to zero.

6 month EURIBOR is defined in accordance with Screen Rate Determination in item 16 (vii)

Margin is defined in item 16 (ix)

Switching Rate Option means the election made by the Issuer to pay the Floating Rate specified in item 16 (v) B) above from and including the immediately Interest Period following the Switching Rate Date to the Maturity Date.

Switching Rate Date means 5 London and TARGET business days' prior to each Interest Payment Date from and including 20 March 2009 to and including 20 September 2025.

Notice shall be given to the holders of *Obligations Foncières* in accordance with the provisions of Condition 14..

(vi)	Party responsible for calculating the Rate of Interest and Interest Amount:	BNP Paribas (the “ Calculation Agent ”)
(vii)	Screen Rate Determination (Condition 5(c)(iii)(B)):	Applicable only if the Switching Rate Option is triggered
	- Relevant Time:	11:00 a.m., Brussels time
	- Interest Determination Date(s):	Two TARGET Business Days prior to the first day of the relevant Interest Period
	- Primary Source for Floating Rate:	Reuters EURIBOR01
	- Reference Banks:	Not Applicable
	- Relevant Financial Centre(s):	Not Applicable
	- Benchmark:	EURIBOR
	- Representative Amount:	Not Applicable
	- Effective Date:	Not Applicable
	- Specified Duration:	Six month
(viii)	ISDA Determination (Condition 5(c)(iii)(A)):	Not Applicable
(ix)	Margin(s):	Applicable only if the Switching Rate Option is triggered : Plus 0.10 per cent. per annum
(x)	Minimum Rate of Interest:	0.00 per cent. per annum
(xi)	Maximum Rate of Interest:	If the Switching Rate Option is not triggered : 6 per cent. If the Switching Rate Option is triggered : Not Applicable

(xii) Day Count Fraction (Condition 5(a)):	If the Switching Rate Option is not triggered : 30/360, unadjusted. If the Switching Rate Option is triggered : Act/360, unadjusted
(xiii) Rate Multiplier:	Not Applicable
(xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes <i>Obligations Foncières</i> , if different from those set out in the Conditions:	Not Applicable

17. **Zero Coupon *Obligation Foncière* Provisions** Not Applicable

18. **Index Linked Interest *Obligation Foncière* Provisions** Not Applicable

19. **Dual Currency *Obligation Foncière* Provisions** Not Applicable

PROVISIONS RELATING TO REDEMPTION

20. **Call Option** Not Applicable

21. **Other Option** Not Applicable

22. **Final Redemption Amount of each *Obligation Foncière*** EUR 50,000 per *Obligation Foncière* of EUR 50,000 Specified Denomination

23. **Early Redemption Amount**
Early Redemption Amount(s) of each *Obligation Foncière* payable on redemption for taxation reasons or on any early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions). Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE *OBLIGATIONS FONCIÈRES*

24. Form of <i>Obligations Foncières</i> :	Dematerialised <i>Obligations Foncières</i>
(i) Form of Dematerialised <i>Obligations Foncières</i> :	Bearer dematerialised form (<i>au porteur</i>)
(ii) Registration Agent:	Not Applicable
(iii) Temporary Global Certificate:	Not Applicable
(iv) Applicable TEFRA exemption:	Not Applicable

25. Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates: London and TARGET
For the purposes of these *Obligations Foncières* only the adjustment of the Payment Date shall be in accordance with the Modified Following Business Day Convention, where if the Payment Date would otherwise fall on a day that is not a business day, then such date shall be postponed to the next day that is a business day unless it would thereby fall in the next calendar month, in which such event such date for payment shall be brought forward to the immediately preceding business day
26. Talons for future Coupons or Receipts to be attached to definitive Materialised *Obligations Foncières* (and dates on which such Talons mature): Not Applicable
27. Details relating to Partly Paid *Obligations Foncières*: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay: Not Applicable
28. Details relating to Instalment *Obligations Foncières*: amount of each instalment, date on which each payment is to be made: Not Applicable
29. Redenomination, renominatisation and reconventioning provisions: Not Applicable
30. Consolidation provisions: Not Applicable
31. Representation of holders of *Obligations Foncières Masse* (Condition 10):
The Initial Representative will be:
Mr Antoine de Chauveron, 23 avenue Foch, 75016 Paris, France
The Alternative Representative will be:
Mr Laurent Vallery Radot, 23 avenue Foch, 75016 Paris, France
The Representatives will not receive any remuneration
32. Other final terms: Not Applicable

DISTRIBUTION

33. (i) If syndicated, names of Managers: Not Applicable
(ii) Stabilising Manager(s) (if any): Not Applicable
34. If non-syndicated, name of Dealer: BNP Paribas, London Branch

35. Additional selling restrictions:

The following selling restrictions, for the purposes of the issue of the *Obligations Foncières*, replace the selling restrictions set out under the heading “France” in the Base Prospectus:

France

The Dealer has represented and agreed that: it has not offered or sold and will not offer or sell, directly or indirectly, *Obligations Foncières* to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the Final Terms or any other offering material relating to the *Obligations Foncières*, and that such offers, sales and distributions have been and shall only be made in France to (i) providers of investment services relating to portfolio management for the account of third parties, and/or (ii) qualified investors (*investisseurs qualifiés*), all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 of the French Code monétaire et financier.

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of *Obligations Foncières* described herein pursuant to the Euro 75,000,000,000 Euro Medium Term Note Programme of Dexia Municipal Agency.

RESPONSIBILITY

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

Signed on behalf of the Issuer:

Duly represented by:



PART B – OTHER INFORMATION

1. **RISK FACTORS**
Not Applicable
2. **LISTING**
Listing: Regulated Market of the Luxembourg Stock Exchange
Admission to trading: Application has been made for the *Obligations Foncières* to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange with effect from March 20, 2006
3. **RATINGS**
Ratings: The *Obligations Foncières* to be issued under the Programme are expected to be rated AAA by Standard & Poor's Rating Services, AAA by Fitch Ratings and Aaa by Moody's Investors Services, Inc.
Applicable
4. **NOTIFICATION**
Not Applicable
5. **SPECIFIC CONTROLLER**
The specific controller (*contrôleur spécifique*) of the Issuer has certified that the value of the assets of the Issuer will be greater than the value of its liabilities benefiting from the privilege defined in article L.515-19 of the Financial and Monetary code, after settlement of this issue and of the issues which have been the subject of previous attestations.
6. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**
So far as the Issuer is aware, no person involved in the offer of the *Obligations Foncières* has an interest material to the offer.
7. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**
 - (i) Reasons for the offer: The net proceeds of the issue of the *Obligations Foncières* will be used for the Issuer's general corporate purposes
 - (ii) Estimated net proceeds: Euro 100,000,000
 - (iii) Estimated total expenses: Not Applicable
8. **YIELD**
Not Applicable

9. **PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Details of CMS rates can be found on Reuters page ISDAFIX1

Details on EURIBOR rates can be found on Reuters page EURIBOR01

10. **PERFORMANCE OF RATE[S] OF EXCHANGE**

Not Applicable

11. **EXPLANATION OF EFFECT ON VALUE OF INVESTMENT, RETURN ON DERIVATIVES SECURITIES AND INFORMATION CONCERNING THE UNDERLYING**

Not Applicable

12 **OPERATIONAL INFORMATION**

ISIN Code: FR0010297242

Common Code: 024668312

Depositories:

(i) Euroclear France to act as Central Depository Yes

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

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

Delivery: Delivery against payment

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

Fiscal Agent and Principal Paying Agent:

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

Paying Agents:

Dexia Bank Belgium S.A., 44 boulevard Pachéco, B-1000 Brussels, Belgium

RBC Dexia Investor Services Bank France S.A. (formerly known as Dexia Investor Services Bank France), 105 rue Réaumur, 75002 Paris, France

Name and address of the Calculation Agent:

BNP PARIBAS
10 Harewood Avenue
LONDON NW1 6AA
England, UK

The Calculation Agent shall act as an independent expert and not as an agent for the Issuer or the holders of the *Obligations Foncières*.

All determinations and calculations shall be made by the Calculation Agent at its sole discretion, in good faith, acting in a commercially reasonable manner. All such calculations so made shall be final and binding (save in the case of manifest error) on the Issuer, the Agents and the holders of the *Obligations Foncières*. The Calculation Agent shall have no liability in relation to the determinations or calculations provided herein, except in the case of willful default or bad faith.

Names and addresses of additional Paying Agent(s) (if any):

Not Applicable

The aggregate principal amount of *Obligations Foncières* issued has been translated into EUR at the rate of ● per EUR1.00, producing a sum of:

Not Applicable