

**Final Terms dated 20 June 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: 268**

**TRANCHE NO: 1**

EUR 10,000,000 Index Linked *Obligations Foncières* due 21 June 2021

Issue Price: 100 per cent.

**Credit Suisse Securities (Europe) Limited**

Holders of *Obligations Foncières* and prospective purchasers of *Obligations Foncières* should ensure that they understand the nature of the *Obligations Foncières* and the extent of their exposure to risk and that they consider the suitability of the *Obligations Foncières* as an investment in the light of their own circumstances and financial condition. Holders of *Obligations Foncières* and prospective purchasers of the *Obligations Foncières* should conduct their own investigations and, in deciding whether or not to purchase the *Obligations Foncières*, prospective purchasers should form their own views of the merits of the investment based upon such investigations and not in reliance on any information given in these Final Terms.

Given the highly specialised nature of the *Obligations Foncières*, the Issuer and the Dealer consider that they are only suitable for highly sophisticated investors who are able to determine for themselves the risk of an investment on which the return is determined in this way.

Consequently, if you are not an investor who falls within the description above you should not consider purchasing these *Obligations Foncières* without taking detailed advice from a specialised professional adviser.

#### 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, 10 January 2006, 14 April 2006 and 30 May 2006 which constitutes 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. 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 is available for viewing at the office of the Fiscal Agent or each of the Paying Agents and on the website of the Issuer ([www.dexia-ma.com](http://www.dexia-ma.com)) or 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.

1	Issuer:	Dexia Municipal Agency
2	(i) Series Number:	268
	(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 10,000,000
	(ii) Tranche:	EUR 10,000,000

5	Issue Price:	100 per cent. of the Aggregate Nominal Amount
6	Specified Denominations:	EUR 50,000
7	(i) Issue Date:	21 June 2006
	(ii) Interest Commencement Date:	21 June 2006
8	Maturity Date:	21 June 2021
9	Interest Basis:	Index Linked Rate (further particulars specified below)
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	Call Options:	Not Applicable
13	(i) Status of the <i>Obligations Foncières</i> :	<i>Obligations Foncières</i>
	(ii) Dates the corporate authorisations for issuance of the <i>Obligations Foncières</i> :	Decision of the <i>Directoire</i> of Dexia Municipal Agency dated 7 June 2006 deciding the issue of the <i>Obligations Foncières</i> and authorizing Mr François LAUGIER, President or any of its <i>Directeurs Généraux</i> officers the power to sign and execute all documents in relation to the issue of the <i>Obligations Foncières</i>
14	Method of distribution:	Non-syndicated

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

15	<b>Fixed Rate <i>Obligation Foncière</i> Provisions</b>	Not Applicable
16	<b>Floating Rate Provisions</b>	Not Applicable
17	<b>Zero Coupon <i>Obligation Foncière</i> Provisions</b>	Not Applicable
18	<b>Index Linked Interest <i>Obligation Foncière</i> Provisions / other variable-linked interest <i>Obligations Foncières</i></b>	Applicable

(i) Index/Formula/other variable:

1) For each Interest Period from and including the Interest Commencement Date to but excluding 21 June 2014, the Obligations Foncières will bear interest payable in amounts determined by the Calculation Agent in accordance with the provisions set out below and in accordance with the following formula:

$$22.15\% \times \text{Maximum } [0.00\%; 7.00\% - \text{Index}] \times \text{DV01}$$

where

“DV01” means

$$[1 - [1 + \text{Index}]^{-10}] / [\text{Index}]$$

2) For each Interest Period from and including the 21 June 2014 to but excluding the Maturity Date, the Obligations Foncières will bear interest payable in amounts determined in accordance with the provisions set out below and in accordance with the following formula:

$$8.20\% \times \left( \frac{n}{N} \right)$$

where

**n** is the number of TARGET and London Business Days in the Interest Period on which the Reference Spread Rate in respect of each such Business Day is more than or equal to (– 0.01%) (i.e. minus 0.01%);

**N** is the total number of TARGET and London Business Days in the Interest Period;

**TARGET and London Business Day** means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London and on which the TARGET system is operating;

**“Reference Spread Rate”** means in respect of each TARGET and London Business Day in the relevant Interest Period, the value, expressed as a percentage on a per annum basis, obtained from the following formula:

$$[\text{€CMS10} - \text{€CMS10}]$$

provided that the Reference Spread Rate determined on the date falling 5 TARGET and London Business Days prior to the relevant Specified Interest Payment Date shall be the Reference Spread Rate applicable for the remaining TARGET and London Business Days in such Interest Period

Further particulars specified in item 18 (iii)

- (ii) Calculation Agent responsible for calculating the Credit Suisse International interest due:
- (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:
- "€CMS10"** means the annual swap rate for a euro swap transaction with a maturity of 10 years (annual, 30/360) versus Euribor 6 month, expressed as a percentage which appears on the Reuters Screen ISDAFIX2 under the heading "EURIBOR BASIS – EUR" and above the caption "11.00 AM FRANKFURT" as of 11.00 a.m., Frankfurt time
- "£CMS10"** means the semi-annual swap rate expressed as a percentage for a GBP swap transaction with a maturity of 10 years versus GBP-Libor 6 month, which appears on the Reuters screen ISDAFIX4 page under the heading "GBP 11:00 AM" and above the caption "11.00 AM London" as of 11.00 a.m., London time
- "Index"** means €CMS10 as determined five (5) TARGET and London Business Days prior to the relevant Specified Interest Payment Date.
- (iv) Interest Period(s):
- The period from and including the Issue Date to but excluding the first Specified Interest Payment Date and each subsequent period from a Specified Interest Payment Date (included) to the next following Specified Interest Payment Date (excluded).

(v)	Provisions for determining Coupon where calculation by reference to Index and/or Formula an/or other variable is impossible or impracticable or otherwise disrupted:	If, in respect of any Business Day the relevant rate does not appear on the relevant Fixing Page the Calculation Agent will request the principal office of five major banks to provide a quotation of its rate. If at least three quotations are provided, the rate for the applicable Business Day, will be the arithmetic mean of the quotations, eliminating the highest quotation (or in the event of equality, one of the highest) and the lowest quotation (or in the event of equality, one of the lowest). If only two quotations can be obtained, then the relevant rate will be the arithmetic mean of such quotations.  If only one quotation is available the Calculation Agent may determine that such quotation is the relevant rate. If no such quotation is obtainable or if the Calculation Agent determines in its sole and absolute discretion that no suitable reference bank who is prepared to quote is available, the Calculation Agent will determine the relevant rate in its sole and absolute discretion acting in good faith and in accordance with standard market practice.
(vi)	Interest or Calculation Period(s):	Not Applicable
(vii)	Specified Interest Payment Dates:	21 June in each year from, and including, 21 June 2007 up to, and including, the Maturity Date.
(viii)	Business Day Convention:	Not Applicable
(ix)	Business Centre(s) (Condition 5(a)):	Not Applicable
(x)	Minimum Rate /Amount of Interest:	Not Applicable
(xi)	Maximum Rate /Amount of Interest:	Not Applicable
(xii)	Day Count Fraction (Condition 5(a)):	30/360 (unadjusted)
<b>19</b>	<b>Dual Currency <i>Obligation Foncière</i> Provisions</b>	Not Applicable
<b>PROVISIONS RELATING TO REDEMPTION</b>		
20	<b>Call Option</b>	Not Applicable
21	<b>Other Option</b>	Not Applicable
22	<b>Final Redemption Amount of each <i>Obligation Foncière</i>:</b>	EUR 50,000 per <i>Obligation Foncière</i> of EUR 50,000 Specified Denomination
23	<b>Early Redemption Amount</b>	

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 *Obligations Foncières*: Dematerialised *Obligations Foncières*
- (i) Form of Dematerialised *Obligations Foncières*: Bearer dematerialised form (*au porteur*)
- (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: TARGET and London – Following Business Day Convention
- 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*: Not Applicable
- 28 Details relating to Instalment *Obligations Foncières*: 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:  
  
Antoine de Chauveron  
  
23, avenue Foch  
75016 Paris  
The alternative Representative will be:  
  
Laurent Valery Radot  
23, avenue Foch  
75016 Paris  
The Representative will not be remunerated.
- 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: Credit Suisse Securities (Europe) Limited

35 Additional selling restrictions: France:

The selling restrictions specified in the section of the Base Prospectus "Subscription and Sale" in relation to France shall be supplemented as follows:

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**

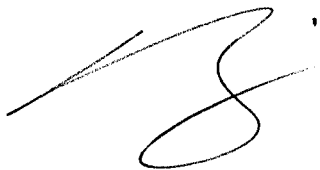
These Final Terms comprise the final terms required to list and have admitted to trading the issue of *Obligations foncières* described herein pursuant to the Euro 75,000,000,000 Euro Medium Term Note Programme of Dexia Municipal Agency.

#### **RESPONSIBILITY**

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

Signed on behalf of the Issuer:

Duly represented by:

A handwritten signature in black ink, consisting of a stylized, cursive script that appears to be a single character or a very short word, possibly 'S' or 'J'.



## PART B – OTHER INFORMATION

### 1. RISK FACTORS

Not Applicable

### 2. LISTING

- (i) Listing: Bourse de Luxembourg (Luxembourg Stock Exchange)
- (ii) Admission to trading: Application has been made for the *Obligations Foncières* to be admitted to trading on the Luxembourg Stock Exchange with effect from the Issue Date

### 3. RATINGS

Ratings: *Obligations Foncières* to be issued under the Programme are expected to be rated AAA by Standard & Poor's Rating Services and 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/OFFER]

"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: Not Applicable
- (ii) Estimated net proceeds: 10,000,000EUR
- (iii) Estimated total expenses: Not Applicable

## 8. Fixed Rate Obligations Foncières only – YIELD

Indication of yield: Not Applicable

## 9. Index-Linked or other variable-linked Obligations Foncières only - PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

*The annual swap rate for Euro Swap transactions for the period of 10 years will be determined by the Calculation Agent with reference to page Reuters ISDAFIX2. The annual swap rate for Sterling Swap transactions for the period of 10 years will be determined by the Calculation Agent with reference to page Reuters ISDAFIX4.*

## 10. Dual Currency Obligations Foncières only – 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

### EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Not Applicable

## 12 OPERATIONAL INFORMATION

ISIN Code: FR0010342378

Common Code: 025783832

Stabilising Manager (if syndicated): Not Applicable

Depositories:

(i) Euroclear France to act as Central Depository Yes

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

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

Delivery: Delivery against payment  
The Agents appointed in respect of the Obligations Foncières are: **Fiscal Agent, Principal Paying Agent and Luxembourg Listing Agent:**

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

### **Paying Agents:**

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

Name and address of the Calculation Agent;

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

**Calculation Agent:**

Crédit Suisse International  
1 Cabot Square  
London E14 4QJ

The determinations and calculations of the Calculation Agent will be, in the absence of manifest error, final and binding on the Issuer, the Agents and the holders of *Obligations Foncières*.

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

Not Applicable

The aggregate principal amount of *Obligations Foncières* issued has been translated into Euro at the rate of [currency] per Euro 1.00, producing a sum of:

Not applicable