

**Final Terms dated 25 October 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: 296**  
**TRANCHE NO: 1**  
**EUR50,000,000 Index-linked Interest *Obligations Foncières* due 27 October 2021**

Issue Price: 100 per cent.

Goldman Sachs International

**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 21 July 2006 and the supplement to the Base Prospectus dated 4 October 2006.

This document constitutes the Final Terms of the *Obligations Foncières* and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer and the offer of the *Obligations Foncières* is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus and the supplement to the Base Prospectus are available for viewing at the office of the Fiscal Agent or each of the Paying Agents.

1	Issuer:	Dexia Municipal Agency
2	(i) Series Number:	296
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	euro (EUR)
4	Aggregate Nominal Amount:	
	(i) Series:	EUR50,000,000
	(ii) Tranche:	EUR50,000,000
5	Issue Price:	100 per cent. of the Aggregate Nominal Amount
6	Specified Denominations:	EUR100,000
7	(i) Issue Date:	27 October 2006
	(ii) Interest Commencement Date:	Not Applicable
8	Maturity Date:	27 October 2021
9	Interest Basis:	Index Linked Interest (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 of the corporate authorisations for issuance of the <i>Obligations Foncières</i> :	Decision of the <i>Directoire</i> of Dexia Municipal Agency dated 10 October 2006 deciding the issue of the <i>Obligations Foncières</i> and authorizing Mr Fr. Laugier, President or any of its <i>Directeurs Généraux</i> to sign and execute all documents in relation to the issue of the <i>Obligations Foncières</i>
14	Method of distribution:	Non-syndicated
	<b>PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE</b>	
15	Fixed Rate <i>Obligation Foncière</i> Provisions	Not Applicable
16	Floating Rate Provisions	Not Applicable

<b>17</b>	<b>Zero Coupon <i>Obligation Foncière</i> Provisions</b>	Not Applicable
<b>18</b>	<b>Index Linked Interest <i>Obligation Foncière</i> Provisions / other variable-linked interest <i>Obligations Foncières</i></b>	Applicable
	(i) Index/Formula/other variable:	See Annex attached hereto
	(ii) Calculation Agent responsible for calculating the interest due:	Goldman Sachs International
	(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:	See Annex attached hereto
	(iv) Interest Period(s):	As defined in Condition 5(a)
	(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:	See Annex attached hereto
	(vi) Calculation Period(s):	As defined in Condition 5(a)
	(vii) Specified Interest Payment Dates:	27 October and 27 April in each year commencing on (and including) 27 April 2007 and ending on (and including) the Maturity Date
	(viii) Business Day Convention:	Not Applicable
	(ix) Business Centre(s) (Condition 5(a)):	Not Applicable
	(x) Minimum Rate of Interest:	0 per cent. per annum
	(xi) Maximum Rate of Interest:	7 per cent. per annum in respect of each Interest Period from and including the Issue Date to but excluding the Specified Interest Payment Date in October 2016. Not Applicable in respect of each Interest Period thereafter.
	(xii) Day Count Fraction (Condition 5(a)):	30/360
<b>19</b>	<b>Dual Currency <i>Obligation Foncière</i> Provisions</b>	Not Applicable
<b>PROVISIONS RELATING TO REDEMPTION</b>		
<b>20</b>	<b>Call Option</b>	Not Applicable
<b>21</b>	<b>Other Option</b>	Not Applicable
<b>22</b>	<b>Final Redemption Amount of each <i>Obligation Foncière</i>:</b>	EUR100,000 per <i>Obligation Foncière</i> of EUR100,000 Specified Denomination
<b>23</b>	<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***

<b>24</b>	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
<b>25</b>	Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates:	TARGET
	(i) Adjusted Payment Date (Condition 7(h)):	The next following business day
<b>26</b>	Talons for future Coupons or Receipts to be attached to definitive Materialised <i>Obligations Foncières</i> (and dates on which such Talons mature):	Not Applicable
<b>27</b>	Details relating to Partly Paid <i>Obligations Foncières</i> : amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay:	Not Applicable
<b>28</b>	Details relating to Instalment <i>Obligations Foncières</i> : amount of each instalment, date on which each payment is to be made:	Not Applicable
<b>29</b>	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
<b>30</b>	Consolidation provisions:	Not Applicable
<b>31</b>	Representation of holders of <i>Obligations Foncières Masse</i> (Condition 10)	Applicable The initial Representative will be: Antoine de Chauveron 23, avenue Foch 75016 Paris The alternative Representative will be: Lauren Valery Radot 23, avenue Foch 75016 Paris The Representative will not be remunerated
<b>32</b>	Other final terms:	See Annex attached hereto

## DISTRIBUTION

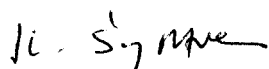
- 33 (i) If syndicated, names of Managers: Not Applicable
- (ii) Stabilising Manager(s) (if any): Not Applicable
- 34 If non-syndicated, name of Dealer: Goldman Sachs International
- 35 Additional selling restrictions: FRANCE:  
Each of the Dealer and the Issuer has represented and agreed that:  
(i) it has not offered or sold and will not offer or sell, directly or indirectly, any *Obligations Foncières* to the public in France and (ii) it 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 relevant Final Terms or any other offering material relating to the *Obligations Foncières* and (iii) such offers, sales and distributions have been and will be made in France only to qualified investors (investisseurs qualifiés), as defined in, and in accordance with, Articles L. 411-1, L. 411-2, D. 411-1 to D. 411-3 of the French Monetary and Financial Code, but excluding individuals referred to in Article D.411-1 II 2° of the French Monetary and Financial Code.

## 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. RATINGS

Ratings: Applicable  
*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.

### 2. OPERATIONAL INFORMATION

ISIN Code: FR0010385930

Common Code: 027172539

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

Names and addresses of additional Paying Agent(s) (if any): **Fiscal Agent, Principal Paying Agent and Listing Agent:**

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

**Paying Agents:**

Dexia Bank Belgium SA  
44, boulevard Pachéco  
B-1000 Brussels

RBC Dexia Investor Services Bank France S.A.  
105, rue Réaumur  
75002 PARIS  
France

**Calculation Agent :**

Goldman Sachs International  
Peterborough Court  
133 Fleet Street  
London EC4A 2BB

The calculation and determination made by the Calculation Agent will, in the absence of manifest error, be final and binding upon the Issuer, the Agents and the holders of Obligations Foncières.

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

### 3. 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 French Monetary and Financial Code, after settlement of this issue and of the issues which have been the subject of previous attestations.

## ANNEX

*(This Annex forms part of the Final Terms to which it is attached)*

### RATE OF INTEREST

1)

The Rate of Interest in respect of each Interest Period from and including the Issue Date to but excluding 27 October 2016 will be determined by the Calculation Agent in accordance with the following formula:

**1.49 per cent. + French Inflation + [5 x Underlying Spread Reference],**

subject to a Minimum and a Maximum Rate of Interest as defined in items 18(x) and (xi) above.

2)

The Rate of Interest in respect of each Interest Period from and including 27 October 2016 to but excluding the Maturity Date will be determined by the Calculation Agent in accordance with the following formula:

**1.80 per cent. + French Inflation,**

subject to a Minimum Rate of Interest as defined in item 18(x) above.

#### **Where:**

"**French Inflation**" means, in respect of an Interest Period, a rate (expressed as a percentage) determined in accordance with the following formula:

$$\left[ \left( \frac{\text{CPI} - \text{F}(10\text{m})}{\text{CPI} - \text{F}(22\text{m})} \right) - 1 \right]$$

"**Underlying Spread Reference**" means, in respect of an Interest Period, a rate (expressed as a percentage) determined in accordance with the following formula:

$$\left[ \left( \frac{\text{CPI} - \text{E}(10\text{m})_i}{\text{CPI} - \text{E}(22\text{m})_i} \right) - \left( \frac{\text{CPI} - \text{F}(10\text{m})_i}{\text{CPI} - \text{F}(22\text{m})_i} \right) \right]$$

"**CPI – E**" means the unrevised Eurostat All-Items Harmonised Index of Consumer Prices (excluding tobacco) for the Eurozone as calculated and published on a monthly basis by Eurostat appearing on Reuters screen OATEI01 (or such page as may replace such page on that service) rounded to five decimal places as adjusted and/or replaced as provided in the Annex attached hereto.

"**CPI – E(10m)<sub>i</sub>**," means the level of the CPI – E with 10 months lag from the Relevant Specified Interest Payment Date. For the avoidance of doubt, the level of the CPI – E in the month of December in the year  $i - 1$ , as determined by the Calculation Agent, will be used to calculate the interest payable on the Interest Payment Date falling in the month of October in the year  $i$  and the level of the CPI – E in the month of June in the year  $i - 1$ , as determined by the Calculation Agent, will be used to calculate the interest payable on the Interest Payment Date falling in the month of April in the year  $i$ .

"**CPI – E(22m)<sub>i</sub>**," means the level of the CPI – E with 22 months lag from the Relevant Specified Interest Payment Date. For the avoidance of doubt, the level of the CPI – E in the month of December in the year  $i - 2$ , as determined by the Calculation Agent, will be used to calculate the



interest payable on the Interest Payment Date falling in the month of October in the year  $i$  and the level of the CPI – E in the month of June in the year  $i - 2$ , as determined by the Calculation Agent, will be used to calculate the interest payable on the Interest Payment Date falling in the month of April in the year  $i$ .

"CPI – F" means the unrevised monthly reference Consumer Price Index excluding tobacco for all households residing in metropolitan France as calculated and published monthly by INSEE and appearing on Reuters page "OATINFLATION 01" (or such page as may replace such page on that service) rounded to five decimal places as adjusted and/or replaced from time to time as provided in paragraph 3 below.

"CPI – F(10m) <sub>$i$</sub> " means the level of the CPI – F with 10 months lag from the Relevant Specified Interest Payment Date. For the avoidance of doubt, the level of the CPI – F in the month of December in the year  $i - 1$ , as determined by the Calculation Agent, will be used to calculate the interest payable on the Interest Payment Date falling in the month of October in the year  $i$  and the level of the CPI – F in the month of June in the year  $i - 1$ , as determined by the Calculation Agent, will be used to calculate the interest payable on the Interest Payment Date falling in the month of April in the year  $i$ .

"CPI – F(22m) <sub>$i$</sub> " means the level of the CPI – F with 22 months lag from the Relevant Specified Interest Payment Date. For the avoidance of doubt, the level of the CPI – F in the month of December in the year  $i - 2$ , as determined by the Calculation Agent, will be used to calculate the interest payable on the Interest Payment Date falling in the month of October in the year  $i$  and the level of the CPI – F in the month of June in the year  $i - 2$ , as determined by the Calculation Agent will be used to calculate the interest payable on the Interest Payment Date falling in the month of April in the year  $i$ .

"Eurostat" means the statistical office of the European Communities in Luxembourg.

"INSEE" means Institut National de la Statistique et des Etudes Economiques, a French government agency which collects and produces information on the French economy and society.

"Relevant Specified Interest Payment Date" means, in respect of an Interest Period, the Specified Interest Payment Date in respect of such Interest Period.

## INFORMATION RELATING TO THE INDICES

### 1- CPI-F

(Source: INSEE web site: France tresor web site: [www.francetresor.gouv.fr](http://www.francetresor.gouv.fr))

#### (i) FIELD

Geographic coverage:

French territory, including the overseas départements (DOMs), which were incorporated into the new base-1998 CPI-F with effect from the index published in February 1999 and back-extrapolated to the year 1998.

Other specific features:

CPI-F covers all goods and services consumed on French territory by resident households and non-resident households (for example, tourists). CPI-F's effective coverage rate in 1998 was 95% of its theoretical rate. The main extensions in the scope of coverage of the new index are insurance, social-protection services, household services, legal services, used cars, and municipal waste collection. As from 1999, the only areas excluded from CPI-F observation field are gambling, hospital services, life insurance, and healthcare insurance.

## **(ii) GENERAL DESCRIPTION OF CPI-F**

### Goals:

CPI-F is the official instrument for measuring inflation in France. It allows an estimation between two given periods of the average change in prices of products consumed by households. It is a summary gauge of movements in prices of products on a constant-quality basis.

### Production and publication:

CPI-F is published monthly in two issues of *Informations Rapides* – for the "preliminary" and "revised" figure respectively—and in various product consumption classifications. The basic structure resembles the international Classification of Individual Consumption by Purpose (**COICOP**) but is more detailed: it comprises 12 consumption functions, 122 groupings into 161 groups, and a few short-term groupings. INSEE also publishes about a hundred series of average prices for individual items.

## **(iii) COLLECTION METHODS**

### Historical summary:

The first generation of indexes dates from 1914. Over the years, CPI-F coverage has broadened both in geographic terms and in terms of population represented and consumption tracked. The Base 1998 CPI-F is the seventh-generation index. It consists of 159 groups, 122 groupings, and 12 consumption functions. This sectorial cover enlarged every year; in January 2001 it consisted of 161 groups.

### Statistical unit surveyed:

Sales outlet for products distributed through conventional channels. National or regional producer organization for data on charges: electricity, telecommunications, rail and air fares, mail-order catalogue prices, etc.

### Frequency and collection method:

Observations by price collectors on a month-long and once-a-month basis. Fresh-product prices are collected every two weeks.

### Sampling frame and number of units surveyed:

The sampling plan is stratified according to three criteria:

- geographic criterion: prices are collected in 106 urban units of more than 2,000 inhabitants throughout France and of all sizes;
- product types: a sample of slightly over 1,000 product families, called "items" (*variétés*) is defined to allow for product heterogeneity within 161 groups of products. The item is the basic, elementary level for monitoring products and calculating the index. The list of items is confidential, and only some average prices of homogeneous products are published at this level.
- "type of sales outlet": a sample of 27,000 outlets, stratified by sales channel, was constructed (1) to represent product diversity by brand, distributor, and consumer-purchasing modes, and (2) to take into account the differences in price movements for each sales channel.

By combining these criteria, INSEE manages to track slightly over 130,000 varieties (*séries*, i.e., specific products in a given type of sales outlet), yielding over 160,000 monthly quotations. In addition, some 40,000 varieties of charges are obtained from central sources.

The sample is updated annually to reflect the changing patterns of consumption behaviour and, in particular, to introduce new products.

Revisions concern the list and content of items as well as the distribution by form of sale and by urban unit.

#### **(iv) CALCULATION METHOD OF CPI-F**

CPI-F is an annually chained Laspeyres index. In addition to the sample composition, the weightings used to aggregate the 21,000 elementary indexes (items x urban unit, in most cases) are also updated annually. These weightings express the share of expenditures on a given aggregate as a total of the household consumption expenditures tracked by CPI-F.

Most weightings are obtained from the annual assessments of household consumption expenditures by the National Accounting Service, rebased on 1995.

Specific methods are used for fresh products, for other seasonal items, and for determining "pure" price movements on a constant-quality basis, when a product is eliminated and replaced by another during the year.

Special offers and discount sales available to all consumers are taken into account in all CPI products.

## **2- CPI-E**

(Source France tresor web site : [www.francetresor.gouv.fr](http://www.francetresor.gouv.fr))

### **A- METHODOLOGY**

- CPI-E published by Eurostat, measures the level of prices for market goods and services consumed by households in the eurozone.

CPI-E is the aggregate of each member state's harmonized index of consumer prices ("HICP"). And the Eurozone is considered as one single entity regardless of the elements of which it is composed.

- CPI-E is said to be harmonized because the methodology and nomenclatures for the index of prices are the same for all of the countries in the eurozone and the European Union (this is required by article 121 of the European Union Treaty). This makes it possible to compare inflation among different member states of the European Union. Emphasis is placed on the quality and comparability of the various countries' indices.

- In the year N, each country's weight in the CPI-E equals the share of this country in the eurozone final household consumption for the year N-2. These weights are re-estimated every year in the publication of the January eurozone CPI-E.

- CPI-E is calculated as an annual chained-index, which makes it possible to change the weights every year.

- Thus, the integration of new entrants in the CPI-E is easy, as was the case with Greece in January 2001. If a new entrant joins in the year N, it is included in CPI-E starting from January N. The new member state's weight is included in the annual revaluation of the HICP Index for the year N.

EMU 2002 CPI-E weighting	
Austria	3.19
Belgium	3.40

Finland	1.60
France	20.43
Germany	30.58
Greece	2.47
Ireland	1.26
Italy	19.23
Luxembourg	0.26
Netherlands	5.20
Portugal	2.05
Spain	10.35
<b>EMU Total</b>	<b>100.00</b>

• **Release dates:**

CPI-E is published every month by Eurostat according to a pre-determined, official timetable. Publication generally occurs around the 16th-18th of the following month (for example, the March CPI-E is published around April 16th-18th). If a revision is made, it is published with CPI-E of the following month.

Since early 2002, Eurostat has been providing a first estimate of the annual CPI-E inflation for each month on the last day of that month. This estimate, based upon very partial data, concerns only the total CPI-E. This may give information to market participants, but this is not an official estimate of the index.

• **The media through which the index is made public:**

The series of unrevised eurozone HICP's is published on the website of Agency France Trésor: [www.aft.gouv.fr](http://www.aft.gouv.fr). It is updated after each publication of a new HICP by Eurostat.

Finally, the daily inflation reference, calculated by linear interpolation of the two latest monthly inflation indices published by Eurostat, are available through the [www.aft.gouv.fr](http://www.aft.gouv.fr) web site, as well as major international information networks. This reference can be accessed through AFT pages on such networks.

**3. INDEX DELAYS AND DISRUPTION EVENTS**

For the purposes of the following provisions CPI-E and CPI-F are each referred to as an "**Index**". For the avoidance of doubt, in the event of conflict between the provisions in these Final Terms and the provisions in the Conditions set forth in the Prospectus, these provisions shall take precedence with respect to the Notes.

**A - DELAY OF PUBLICATION**

(a) If any level of an Index which is relevant to the calculation of a payment under the Notes (a "**Relevant Level**") has not been published or announced by the day that is five Business Days prior to the next Specified Interest Payment Date, the Calculation Agent shall determine a Substitute Index Level (in place of such Relevant Level) by using the following methodology:

(i) If applicable, the Calculation Agent will take the same action to determine the Substitute Index Level for the relevant Interest Period as that taken by the calculation agent pursuant to the terms and conditions of the Related Bond;

(ii) If (i) does not result in a Substitute Index Level for the relevant Interest Period for any reason, then the Calculation Agent shall determine the Substitute Index Level as follows:

Substitute Index Level = Base Level x (Latest Level/Reference Level)

Where:

**"Base Level"** means the level of the Index (excluding any "flash" estimates) published or announced by the Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

**"Latest Level"** means the latest level of the Index (excluding any "flash" estimates) published or announced by the Sponsor prior to the month in respect of which the Substitute Index Level is being calculated.

**"Reference Level"** means the level of the Index (excluding any "flash" estimates) published or announced by the Sponsor in respect of the month that is 12 calendar months prior to the month referred to in "Latest Level" above.

**"Related Bond"** means a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the relevant Index relates and which pays a coupon or redemption amount which is calculated by reference to the Index, with a maturity date which falls on (a) the same day as the Maturity Date, (b) the next longest maturity after the Maturity Date if there is no such bond maturing on the Maturity Date, or (c) the next shortest maturity before the Maturity Date if no bond defined in (a) or (b) is selected by the Calculation Agent. If the Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Related Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Related Bond shall be selected by the Calculation Agent from those bonds. If the Related Bond redeems the Calculation Agent will select a new Related Bond on the same basis, but selected from all eligible bonds in issue at the time the original Related Bond redeems (including any bond for which the redeemed bond is exchanged).

(b) If a Relevant Level is published or announced at any time after the day that is five Business Days prior to the next Specified Interest Payment Date, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this provision, will be the definitive level for the relevant month.

## **B - CESSATION OF PUBLICATION**

If a level for an Index has not been published or announced for two consecutive months or the Sponsor announces that it will no longer continue to publish or announce the Index then the Calculation Agent shall determine a Successor Index (in lieu of any previously applicable Index) for the purposes of the Notes by using the following methodology:

(a) If at any time a successor index has been designated by the calculation agent pursuant to the terms and conditions of the Related Bond, such successor index shall be designated a "Successor Index" for the purposes of all subsequent Interest Periods in relation to the Notes, notwithstanding that any other Successor Index may previously have been determined pursuant to paragraphs B(b), (c) or (d) below; or

(b) If a Successor Index has not been determined under (a) above and a notice has been given or an announcement has been made by a Sponsor, specifying that the Index will be superseded by a replacement Index specified by the Sponsor, and the Calculation Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be the relevant Index for purposes of the Notes from the date that such replacement Index comes into effect; or

(c) If a Successor Index has not been determined under (a) or (b) above the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the "**Successor Index**". If three responses are received, and two or more leading independent dealers state the same index, this index will be deemed the "**Successor Index**". If fewer than three responses are received, the Calculation Agent will proceed to subsection (d) hereof; or

(d) If no Successor Index has been deemed under (a), (b) or (c) above by the fifth Business Day prior to the next Specified Interest Payment Date the Calculation Agent will determine an appropriate alternative index for such affected Specified Interest Payment Date, and such index will be deemed a "**Successor Index**".

#### **C - REBASING OF AN INDEX**

If the Calculation Agent determines that an Index has been or will be rebased at any time, the Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the level of an Index from the date of such rebasing; provided, however, that the Calculation Agent shall make such adjustments as are made by the Calculation Agent pursuant to the terms and conditions of the Related Bond, if any, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. If there is no Related Bond, the Calculation Agent shall make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. Any such rebasing shall not affect any prior payments made under the Notes.

#### **D - MATERIAL MODIFICATION PRIOR TO INTEREST PAYMENT DATE**

If, on or prior to the day that is five Business Days before a Specified Interest Payment Date, an Index Sponsor announces that it will make a material change to an Index then the Calculation Agent shall make any such adjustments to the Index consistent with adjustments made to the Related Bond, or, if there is no Related Bond, only those adjustments necessary for the modified Index to continue as the Index.

#### **E - MANIFEST ERROR IN PUBLICATION**

If, in respect of an Interest Period, by the thirtieth day following publication or, if earlier, the day falling five Business Days prior to the relevant Specified Interest Payment Date, the Calculation Agent determines that the Index Sponsor has corrected the level of an Index relevant to the determination of the Rate of Interest in respect of such Interest Period to remedy a manifest error in its original publication (the "**Corrected Level**"), the Calculation Agent will use such Corrected Level to determine the relevant Rate of Interest.