

**THIRD SUPPLEMENT DATED 14 OCTOBER 2019  
TO THE BASE PROSPECTUS DATED 7 JUNE 2019**



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

This third supplement (the “**Third Supplement**”) is supplemental to, and should be read in conjunction with, the Base Prospectus dated 7 June 2019, as supplemented by the First Supplement to the Base Prospectus dated 17 September 2019 and the Second Supplement dated 27 September 2019 prepared in relation to the €75,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) of Caisse Française de Financement Local (the “**Issuer**”). The Base Prospectus as supplemented constitutes a base prospectus for the purpose of the Directive 2003/71/EC as amended (the “**Prospectus Directive**”) and in accordance with Article 46 of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). The *Autorité des marchés financiers* (the “**AMF**”) has granted visa No.19-252 on 7 June 2019 to the Base Prospectus and visa No. 19-444 on 17 September 2019 to the First Supplement and visa No.19-459 on 27 September 2019 to the Second Supplement.

Application has been made for approval of the Third Supplement to the AMF in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive.

This Third Supplement constitutes a supplement to the Base Prospectus and has been prepared pursuant to Article 16.1 of the Prospectus Directive and Article 212-25 of the *Règlement Général* of the AMF. Following the publication of the press release dated 9 October 2019 relating to the signing of an agreement in principle for the transfer of majority of SFIL’s capital to Caisse des Dépôts et Consignations, this Third Supplement has been prepared for the following purposes:

- (i) updating sections B.5 and B.16 in the English and French versions of the Summary of the Programme;
- (ii) updating the section entitled “Risk Factors”;
- (iii) updating the section entitled “Organisational Structure”; and
- (iv) updating the section entitled “Recent Developments”.

Save as disclosed in this Third Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is material in the context of the Programme since the publication of the Base Prospectus.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this Third Supplement.

To the extent that there is any inconsistency between (a) any statement in this Third Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

To the extent applicable, and provided that the conditions of Article 212-25 I of the *Règlement Général* of the AMF are fulfilled, investors who have already agreed to purchase or subscribe for *Obligations*

*Foncières* to be issued under the Programme before this Third Supplement is published, have the right, according to Article 212-25 II of the *Règlement Général* of the AMF, to withdraw their acceptances within a time limit of minimum two working days after publication of this Third Supplement. This right to withdraw shall expire by close of business on 16 October 2019.

Copies of this Third Supplement (a) may be obtained, free of charge, at the registered office of the Issuer (1 à 3, rue du Passeur de Boulogne 92130 Issy-les-Moulineaux, France) during normal business hours, (b) will be available on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and (c) will be available during normal business hours at the specified office of the Fiscal Agent (Banque Internationale à Luxembourg, société anonyme 69, route d'Esch, L-1470 Luxembourg, Grand-Duchy of Luxembourg) so long as any of the *Obligations Foncières* issued under the Programme are outstanding.

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## SUMMARY OF THE PROGRAMME

The section entitled “**Summary of the Programme**” on pages 5 to 30 of the Base Prospectus is amended as follows:

- The item B.5 is deleted and replaced by the following:

<b>B.5</b>	<b>A description of the Issuer’s Group and the Issuer’s position within the Group</b>	<p>Caisse Française de Financement Local is a wholly owned subsidiary of SFIL. The Issuer was sold to SFIL by Dexia Credit Local as of 31 January 2013.</p> <p>SFIL is a credit institution approved by the French Resolution and Prudential Control Authority (<i>Autorité de Contrôle Prudentiel et de Résolution</i>). Its shareholders are the French State (75%), Caisse des Dépôts et Consignations (“CDC”) (20%) and La Banque Postale (5%).</p> <p>On 15 November 2018, as part of the project to create a major public finance hub centered around CDC and La Poste, the French State and CDC announced that they had entered into discussions with a view to entrusting the control of SFIL, Caisse Française de Financement Local’s parent company, to CDC. SFIL’s shareholder base will remain – as today – fully public. Its shareholders will ensure that SFIL’s financial solidity is preserved and its economic base protected, and will continue to provide it with the necessary support, in accordance with the applicable regulations. This change in shareholding structure is expected to take place at the same time as the changes to that of La Poste and CNP Assurances.</p> <p>Following the discussions announced on 15 November 2018, the French Government, CDC and La Banque Postale announced on 9 October 2019 the signing of an agreement in principle for the transfer of majority of SFIL’s capital to CDC. On completion of the transaction, which should occur during the first quarter of 2020 (subject to the necessary authorizations), CDC would own all of SFIL’s share capital except for one ordinary share to be retained by the French State.</p> <p>Caisse Française de Financement Local’s business consists in refinancing loans to the public sector in the framework of two missions entrusted by the French State, via the issuance of covered bonds. SFIL’s role is to provide support for the activities of Caisse Française de Financement Local as a servicer, as defined by the regulations that apply to sociétés de crédit foncier, in particular within the meaning of Article L.513-15 of the French <i>Code monétaire et financier</i>.</p> <p>SFIL and Caisse Française de Financement Local are part of the organization of the public sector structure created in 2013 and dedicated to the financing of local governments and public healthcare institutions in France. This structure, which the French State has described as a “public bank for local authorities”, is based on a three-pronged organization:</p> <ul style="list-style-type: none"> <li>• commercial activities developed by La Banque Postale,</li> <li>• refinancing activities conducted by Caisse Française de Financement Local, including large export credit,</li> <li>• operational functions in support of the above performed under the responsibility of SFIL.</li> </ul>
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- The item B.16 is deleted and replaced by the following:

<b>B.16</b>	<b>Extent to which the Issuer is directly or indirectly owned or controlled</b>	<p>Caisse Française de Financement Local is a wholly owned subsidiary of SFIL. SFIL shareholders are the French State (75%), CDC (20%) and La Banque Postale (5%). The French State assumes the role of reference shareholder in dealings with regulatory authorities, thereby underlining its commitment with regard to oversight and the taking of strategic decisions, as well as its determination to ensure the continuity of SFIL’s financial transactions, whenever required.</p> <p>On 15 November 2018, as part of the project to create a major public finance</p>
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		<p>hub centered around CDC and La Poste, the French State and CDC announced that they had entered into discussions with a view to entrusting the control of SFIL, Caisse Française de Financement Local's parent company, to CDC. SFIL's shareholder base will remain – as today – fully public. Its shareholders will ensure that SFIL's financial solidity is preserved and its economic base protected, and will continue to provide it with the necessary support, in accordance with the applicable regulations. This change in shareholding structure is expected to take place at the same time as the changes to that of La Poste and CNP Assurances.</p> <p>Following the discussions announced on 15 November 2018, the French Government, CDC and La Banque Postale announced on 9 October 2019 the signing of an agreement in principle for the transfer of majority of SFIL's capital to CDC. On completion of the transaction, which should occur during the first quarter of 2020 (subject to the necessary authorizations), CDC would own all of SFIL's share capital except for one ordinary share to be retained by the French State</p>
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**RÉSUMÉ EN FRANÇAIS DU PROGRAMME  
(FRENCH SUMMARY OF THE PROGRAMME)**

The section entitled “**Résumé en Français du Programme (French Summary of the Programme)**” on pages 30 to 57 of the Base Prospectus is amended as follows:

- The item B.5 is deleted and replaced by the following:

<b>B.5</b>	<b>Description du Groupe de l'Émetteur et de la position de l'Émetteur au sein du Groupe</b>	<p>Caisse Française de Financement Local est une filiale détenue à 100% par SFIL. L'Émetteur a été cédé à SFIL par Dexia Credit Local le 31 janvier 2013.</p> <p>SFIL est un établissement de crédit agréé par l'Autorité de Contrôle Prudentiel et de Résolution. SFIL est détenu à hauteur de 75% par l'Etat français, de 20% par la Caisse des Dépôts et Consignations (la “CDC”) et de 5% par la Banque Postale.</p> <p>Le 15 novembre 2018, en cohérence avec le projet de création d'un grand pôle financier public autour de la CDC et La Poste, l'État et la CDC ont annoncé avoir engagé des discussions en vue de confier à la CDC le contrôle de SFIL, maison mère de la Caisse Française de Financement Local. Comme aujourd'hui, l'actionnariat de SFIL restera entièrement public : ses actionnaires veilleront à ce que sa solidité financière soit préservée, sa base économique soit protégée et continueront à fournir à celle-ci le soutien qui lui est nécessaire, conformément à la réglementation applicable. Cette évolution actionnariale interviendrait selon le même calendrier que les modifications concernant l'actionnariat de La Poste et de CNP Assurances.</p> <p>L'Etat, la CDC et La Banque Postale ont annoncé le 9 octobre 2019 la signature d'un accord de principe précisant les modalités de transfert de la majorité du capital de SFIL à la CDC, conformément aux discussions annoncées le 15 novembre 2018. A l'issue de l'opération, qui devrait être finalisée au cours du premier trimestre 2020 sous réserve des autorisations nécessaires, la CDC posséderait l'ensemble du capital de SFIL, à l'exception d'une action ordinaire qui serait conservée par l'Etat.</p> <p>L'activité de la Caisse Française de Financement Local consiste à refinancer des prêts au secteur public dans le cadre de deux missions confiées par l'Etat français, via l'émission d'obligations foncières. Le rôle de SFIL consiste à assister la Caisse Française de Financement Local en qualité d'établissement support, tel que défini par la réglementation applicable aux sociétés de crédit foncier, notamment au sens de l'Article L.513-15 du Code monétaire et financier.</p> <p>SFIL et la Caisse Française de Financement Local font partie de la structure publique dédiée au financement des collectivités territoriales et des établissements publics de santé en France, mise en place en 2013. Cette structure, que l'Etat français a décrit comme une « banque publique des collectivités territoriales », est basée sur une organisation tripartite :</p> <ul style="list-style-type: none"> <li>- activités commerciales développées par La Banque Postale,</li> <li>- activités de refinancement conduites par la Caisse Française de Financement Local, comprenant les crédits export importants,</li> <li>- fonctions opérationnelles en support des activités sus-mentionnées sous la responsabilité de SFIL.</li> </ul>
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- The item B.16 is deleted and replaced by the following:

<b>B.16</b>	<b>Entité(s) ou personne(s) détenant ou contrôlant directement ou indirectement l'Émetteur</b>	<p>Caisse Française de Financement Local est une filiale détenue à 100% par SFIL.</p> <p>Les actionnaires de SFIL sont l'Etat français (75%), la CDC (20%) et La Banque Postale (5%). L'Etat français remplit le rôle d'actionnaire de référence dans les échanges avec les autorités de régulation, ce qui souligne son engagement en matière de supervision et de prises de décisions stratégiques, ainsi que sa volonté d'assurer la continuité des opérations financières de SFIL en cas de besoin.</p> <p>Le 15 novembre 2018, en cohérence avec le projet de création d'un grand pôle</p>
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	<p>financier public autour de la CDC et La Poste, l'État et la CDC ont annoncé avoir engagé des discussions en vue de confier à la CDC le contrôle de SFIL, maison mère de la Caisse Française de Financement Local. Comme aujourd'hui, l'actionnariat de SFIL restera entièrement public : ses actionnaires veilleront à ce que sa solidité financière soit préservée, sa base économique soit protégée et continueront à fournir à celle-ci le soutien qui lui est nécessaire, conformément à la réglementation applicable. Cette évolution actionnariale interviendrait selon le même calendrier que les modifications concernant l'actionnariat de La Poste et de CNP Assurances.</p> <p>L'Etat, la CDC et La Banque Postale ont annoncé le 9 octobre 2019 la signature d'un accord de principe précisant les modalités de transfert de la majorité du capital de SFIL à la CDC, conformément aux discussions annoncées le 15 novembre 2018. A l'issue de l'opération, qui devrait être finalisée au cours du premier trimestre 2020 sous réserve des autorisations nécessaires, la CDC posséderait l'ensemble du capital de SFIL, à l'exception d'une action ordinaire qui serait conservée par l'Etat.</p>
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## RISK FACTORS

The section entitled “**Risk Factors**” on pages 58 to 68 of the Base Prospectus is amended as follows:

- The risk factor entitled “**7.2 Credit rating of Caisse Française de Financement Local's obligations foncières will be affected by the credit rating of SFIL and the French state**” is deleted and replaced by the following:

**“7.2 Credit rating of Caisse Française de Financement Local's obligations foncières will be affected by the credit rating of SFIL and the French State**

In the rating agencies’ methodologies, the credit rating of a covered bond programme is linked to the credit rating attributed to the Issuer’s parent. The rating criteria for Caisse Française de Financement Local include both the financial health of its parent, SFIL, as well as the strength of parental support. The credit rating of SFIL is closely linked to the credit rating of the French State due to its shareholding structure. SFIL is currently owned by the French State (75%), Caisse des Dépôts et Consignations (“**CDC**”) (20%) and La Banque Postale (5%). On 15 November 2018, as part of the project to create a major public finance hub centered around CDC and La Poste, the French State and CDC announced that they had entered into discussions with a view to entrusting the control of SFIL to CDC. SFIL’s shareholder base will remain – as today – fully public. Its shareholders will ensure that SFIL’s financial solidity is preserved and its economic base protected, and will continue to provide it with the necessary support, in accordance with the applicable regulations. This change in shareholding structure is expected to take place at the same time as the changes to that of La Poste and CNP Assurances. Following the discussions announced on 15 November 2018, the French Government, CDC and La Banque Postale announced on 9 October 2019 the signing of an agreement in principle for the transfer of majority of SFIL’s capital to CDC. On completion of the transaction, which should occur during the first quarter of 2020 (subject to the necessary authorizations), CDC would own all of SFIL’s share capital except for one ordinary share to be retained by the French State.

Decreases in the credit rating of SFIL may cause a decrease in the credit rating of Caisse Française de Financement Local's *obligations foncières*, or a requirement that Caisse Française de Financement Local obtain funding in order to achieve a higher level of overcollateralization. A variety of factors may make obtaining such higher level of overcollateralization impossible for Caisse Française de Financement Local in the event of a downgrade of SFIL. If the credit rating of Caisse Française de Financement Local’s *obligations foncières* were reduced due to these factors, such downgrade may adversely affect the value of Caisse Française de Financement Local's outstanding *obligations foncières*, including the *Obligations Foncières*, increase Caisse Française de Financement Local’s cost of borrowing and adversely affect Caisse Française de Financement Local's ability to issue new *obligations foncières*.”

## ORGANISATIONAL STRUCTURE

The section entitled “**Organisational Structure**” on pages 145 to 148 of the Base Prospectus is amended as follows:

- The section entitled “**Shareholding structure of the Issuer**” is deleted and replaced by the following:

“Caisse Française de Financement Local and its parent company SFIL (formerly Société de Financement Local) are key elements in the financing of local governments and public hospitals in France. This organization introduced by the French State in 2013, is based on a commercial activity developed by La Banque Postale with refinancing provided by Caisse Française de Financement Local.

Since 2015, the French State entrusted SFIL and Caisse Française de Financement Local with a second mission that is the responsibility to refinance large export credits with the guarantee of the State. The objective is to enable large export credits as well as French local governments and public hospitals to benefit from optimal financing conditions through a high rating and irreproachable risk management.

The capital of Caisse Française de Financement Local is 100% held by SFIL, which also manages the Issuer in accordance with Article L.513-15 of the French *Code monétaire et financier*. SFIL is a credit institution approved by the ACPR. Its shareholders are the French State (75%), Caisse des Dépôts et Consignations (“**CDC**”) (20%) and La Banque Postale (5%). SFIL’s shareholders are thus firmly anchored in the public sphere, reflecting the missions the French State assigned it.

The French State is the “reference shareholder” of SFIL and Caisse Française de Financement Local for the ACPR underlining its commitment to ensure oversight and to influence strategic decisions, as well as its determination to ensure Caisse Française de Financement Local and SFIL’s ongoing financial transactions if so required.

On 15 November 2018, as part of the project to create a major public finance hub centered around CDC and La Poste, the French State and CDC announced that they had entered into discussions with a view to entrusting the control of SFIL, Caisse Française de Financement Local’s parent company, to CDC. SFIL’s shareholder base will remain – as today – fully public. Its shareholders will ensure that SFIL’s financial solidity is preserved and its economic base protected, and will continue to provide it with the necessary support, in accordance with the applicable regulations. This change in shareholding structure is expected to take place at the same time as the changes to that of La Poste and CNP Assurances.

Following the discussions announced on 15 November 2018, the French Government, CDC and La Banque Postale announced on 9 October 2019 the signing of an agreement in principle for the transfer of majority of SFIL’s capital to CDC. On completion of the transaction, which should occur during the first quarter of 2020 (subject to the necessary authorizations), CDC would own all of SFIL’s share capital except for one ordinary share to be retained by the French State.”

## RECENT DEVELOPMENTS

The following paragraphs are included at the end of the section entitled “**Recent Developments**”, on page 162 of the Base Prospectus:

“SFIL published the following press release on 9 October 2019:

Press Release dated 9 October 2019:

### **Agreement in principle for the transfer of SFIL to *Caisse des Dépôts Group***

**Following the discussions announced on November 15th 2018, the French Government, Caisse des Dépôts and La Banque Postale announced today the signing of an agreement in principle for the transfer of majority of SFIL’s capital to Caisse des Dépôts et Consignations (CDC).**

On completion of the transaction, which should occur during the first quarter of 2020 subject to the necessary authorizations to be granted by the relevant administrative and regulatory authorities, CDC would own all of SFIL’s share capital except for one ordinary share to be retained by the French State, alongside the right to appoint a censor on SFIL’s board of directors.

CDC would become the reference shareholder of SFIL and demonstrate its commitment to upholding SFIL’s status as public development bank by a letter of support, supplemented by a similar letter from the State.

The exclusive partnership between SFIL and La Banque Postale to finance the French local public sector would be extended in advance to 2026.

Established in February 2013 and, profitable since mid-2015, SFIL has become the first lender to local public authorities and public hospitals in France (€ 27 bn long-term loans granted) and the first liquidity provider for major export contracts (€ 7.4 bn of financing granted since 2016), thanks to its deep and efficient access to financial markets in the service of the French economy.

Building on their history of successes and deep expertise, SFIL and its team look forward to joining CDC Group and fully support the major public financial unit envisioned by the French Government, with the renewed ambition to offer better services to its customers and partners.

Press contact: christine.lair@sfil.fr / Tel.: + 33 (0)1 73 28 87 36 Investor contact: Ralf Berninger - ralf.berninger@sfil.fr

For more information: [sfil.fr](http://sfil.fr)”

## PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE THIRD SUPPLEMENT

I hereby certify, having taken all reasonable care to ensure that such is the case, that, to the best of my knowledge, the information contained in this Third Supplement is in accordance with the facts and contains no omission likely to affect its import.

### **Caisse Française de Financement Local**

1 à 3, rue du Passeur de Boulogne  
92130 Issy-les-Moulineaux  
France

Duly represented by:  
Gilles Gallerne  
*Président du Directoire*  
Duly authorised  
on 14 October 2019



### ***Autorité des marchés financiers***

In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers* (“AMF”), in particular Articles 212-31 to 212-33, the AMF has granted to this Third Supplement the visa no. 19-488 on 14 October 2019. This document and the Base Prospectus may only be used for the purposes of a financial transaction if completed by Final Terms. It was prepared by the Issuer and its signatories assume responsibility for it.

In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the visa was granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information it contains is coherent". It does not imply that the AMF has approved the appropriateness of the transaction or authenticated the accounting and financial information presented herein.

This visa has been granted subject to the publication of Final Terms in accordance with Article 212-32 of the AMF's General Regulations, setting out the terms of the securities being issued.