SUPPLEMENT DATED 7 FEBRUARY 2018
TO THE BASE PROSPECTUS DATED 29 JUNE 2017

DEXIA CRÉDIT LOCAL

(a *société anonyme* established under the laws of the Republic of France)

$20,000,000,000

Guaranteed U.S. Medium Term Note Programme

benefiting from an unconditional and irrevocable first demand guarantee

by the States of Belgium, France and Luxembourg

This Supplement (the "**Supplement**" or the "**Fourth Supplement**") is supplemental to, and should be read in conjunction with, the Base Prospectus dated 29 June 2017 (the "**Base Prospectus**", which term, where the context admits, shall include such Base Prospectus as amended and/or supplemented from time to time including, without limitation, by this Fourth Supplement and all references to this "Base Prospectus" shall be construed accordingly) prepared in relation to the $20,000,000,000 Guaranteed U.S. Medium Term Note Programme (the "**Programme**") of Dexia Crédit Local (the "**Issuer**").

The Base Prospectus does not constitute a prospectus as defined in Article 5.4 of Directive 2003/71/EC (the "**2003 Prospectus Directive**"), as amended by Directive 2010/73/EU (the "**2010 Prospectus Directive**" and, together with the 2003 Prospectus Directive, the "**Prospectus Directive**"), and may be used only for the purpose for which it is published. The purpose of the Base Prospectus in relation to Notes is to give information with respect to the issue of Notes. The Notes will be exempt from the Prospectus Directive pursuant to Article 1.2(d) thereof and the Notes will not be treated as being within the scope of the Prospectus Directive. The Base Prospectus has not been, and will not be, approved by the CSSF as complying with the Prospectus Directive.

The Base Prospectus may not be used for any offering to the public or any admittance to trading on a regulated market of Notes in any jurisdiction which would require the approval and publication of a prospectus under the Prospectus Directive or similar document under applicable law.

The Issuer accepts responsibility for the information contained in this Fourth Supplement. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Fourth Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

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

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

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

This Fourth Supplement is available on the Luxembourg Stock Exchange's website (www.bourse.lu).

This Fourth Supplement has been prepared for the purpose of updating the information in relation to the Issuer.

A – Documents incorporated by reference:

Dexia S.A. published, on its website (www.dexia.com), the Press Release dated 5 February 2018 related to the decisions by European Central Bank detailing the regulatory requirements and the specific supervisory approach applied to Dexia SA as from 1 January 2018 (the "**Press Release**"), which has been filed with the Luxembourg Stock Exchange and such Press Release is incorporated by reference in, and form part of, this Fourth Supplement.

Copies of documents incorporated by reference in this Fourth Supplement can be found on the website of Dexia S.A. (www.dexia.com) or obtained from the registered office of the Issuer and the specified office of the Fiscal Agent for the time being. This Fourth Supplement and the documents incorporated by reference will also be published on the Luxembourg Stock Exchange website (www.bourse.lu). The information provided on the Issuer's and Dexia S.A.'s websites and on the website of the Luxembourg Stock Exchange (other than this Fourth Supplement) is provided for information purposes only and is not incorporated by reference into, or otherwise included in, this Fourth Supplement. No representation, warranty or undertaking is made and no responsibility or liability is accepted by the Arranger or the Dealers for the accuracy or completeness of such information

B – Update of the address of Dexia Management Services Ltd. as Process Agent of the Issuer:

The address of Dexia Management Services Ltd. as Process Agent of the Issuer, referred to in Condition 16(d) (page 55 of the Base Prospectus) shall be deemed to read:

"6th Floor, Salisbury House, London Wall, London EC2M 5QQ, United Kingdom"

C - Update of the Issuer's information in the section *"DEXIA CREDIT LOCAL - Recapitalisation undertaking by the Belgian and French States"*

The following paragraph is inserted at the end of the abovementioned section located page 71 of the Base Prospectus:

Dexia share conversion implying an increase in States' participation

In order for Dexia to fulfil its prudential obligations regarding its solvency and as required by the European Central Bank, Dexia on 7 December 2017 successfully converted its preference shares ("B" shares) into ordinary shares ("A" shares), at a conversion rate of 14.446 ordinary shares (i.e. currently category A shares) against one preference share (currently category B shares). Along to the conversion, the plan also granted the Belgian and French States with "Contingent Liquidation Rights", allowing Dexia to comply with the burden sharing constraint imposed by the European Commission (EC). Consecutively, States' participation now amounts to 99.5%, instead of 94% previously. The operation was duly approved by the shareholders, the EC and the ECB."

D - Update of the Taxes information in the sections *"TAXATION - French Taxation"* and *"TAXATION - Belgian Taxation"*

The abovementioned sections respectively located pages 109 and 110 of the Base Prospectus are entirely deleted and the following paragraphs are inserted:

French Taxation

The descriptions below are intended as a basic summary of certain withholding tax consequences in relation to the ownership of the Notes under French law by Noteholders who do not concurrently hold shares of the Issuer.

Payments made under the Notes by the Issuer

Payments of interest and other revenues made by the Issuer with respect to Notes 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 75% 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, in accordance with Article 238 A of the French General Tax Code, interest and other revenues on such Notes (which would otherwise be deductible for French tax purposes) would not be deductible from the Issuer's taxable income in France if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution situated in such a Non-Cooperative State (the "**Deductibility Exclusion**"). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq* 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 (i) 12.8% for payments benefiting individuals who are not French tax residents, (ii) 30% (to be aligned with the standard corporate income tax rate set forth in Article 219-I of the French General Tax Code for fiscal years beginning as from 1 January 2020) for payments benefiting legal persons who are not French tax residents or (iii) 75% for payments made outside France in a Non-Cooperative State (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, neither the 75% withholding tax set out under Article 125 A III of the French General Tax Code nor, to the extent the relevant interest or other revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion or the withholding tax set out under Article 119 *bis* 2 of the French General Tax Code that may be levied as a result of such Deductibility Exclusion will apply in respect of an issue of Notes if the Issuer can prove that the principal purpose and effect of such 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 French tax administrative guidelines BOI-INT-DG-20-50-20140211 no. 550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211 no. 70 and 80 and BOI-IR-DOMIC-10-20-20-60-20150320 no. 10, 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 depositary or of a securities 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 depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

Payments made by the State of France as Guarantor

In the absence of any existing authority addressing the withholding tax treatment of payments made by the State of France as Guarantor, any future administrative, judicial or legislative development may affect the following discussions.

Under one interpretation of the general principles of French tax law, payments made by the State of France as Guarantor of any amount due by the Issuer to a Noteholder may be treated as a payment in lieu of payments to be made by the Issuer with respect to the Notes. Accordingly, under this interpretation, payments made by the State of France as Guarantor of any amounts due by the Issuer under the Notes to a Noteholder should, whilst not free from doubt, not be subject to the withholding tax set out under Article 125 A III of the French General Tax Code provided that such payments made or to be made by the French State as Guarantor are not made in a Non-Cooperative State and the relevant Noteholder is not domiciled (*domicilié*) nor established (*établi*) in such a Non-Cooperative State.

Under another interpretation, any such payment may be treated as a payment independent from the payments to be made by the Issuer with respect to the Notes. Accordingly, in the absence of any specific provision in the French General Tax Code in respect of such payments, they should, whilst not free from doubt, not be subject to the withholding tax set out under Article 125 A III of the French General Tax Code.

Payments made to Noteholders who are individuals fiscally domiciled in France

Pursuant to Article 125 A I of the French General Tax Code subject to certain limited exceptions, interest and similar revenues paid by a paying agent (*établissement payeur*) located in France to individuals who are domiciled for tax purposes (*domiciliés fiscalement*) in France are subject to a 12.8% withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding at a global rate of 17.2% on such interest and similar revenues received by individuals who are domiciled for tax purposes (*domiciliés fiscalement*) in France.

Belgian Taxation

The following summary describes the principal Belgian tax considerations with respect to the acquisition, holding and disposal of Notes obtained by an investor.

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, hold or dispose of the Notes. In some cases, different rules will be applicable. Furthermore, tax rules may be amended in the future, possibly with retroactive effect, and the interpretation of 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 publication of this Base Prospectus, without prejudice to any amendments introduced at a later date, even if implemented with retroactive effect.

For Belgian tax purposes, interest includes periodic interest income under the Notes and any amount paid by the Issuer in excess of the issue price (whether or not on the maturity date). If interest is in a foreign currency, it is converted into euro on the date of payment or attribution.

Each prospective Noteholder 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.

Belgian resident individuals

Individuals who are Belgian residents for tax purposes, i.e., individuals subject to Belgian personal 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. Different rules apply to investors 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.

Payments of interest on the Notes made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax (calculated on the interest received after deduction of any non-Belgian withholding taxes). The Belgian withholding tax constitutes the final tax for Belgian resident individuals. This means that if Belgian withholding tax has been levied on the interest, it does not need to be declared in the investor's personal income tax return.

Nevertheless, Belgian resident individuals may elect to declare interest on the Notes in their personal income tax return. Also, if the interest is paid abroad without the intervention of a paying agent in Belgium, no Belgian withholding tax will apply and the interest must be declared in the investor's personal income tax return. Interest income which is declared in this way will in principle be taxed at a flat rate of 30% (or at the relevant progressive personal income tax rate(s), taking into account the investor's other declared income, if this results in lower taxation) and no local surcharges will be due. If the interest is declared, and is as such subject to income tax, any Belgian withholding tax levied may be credited against the investor's income tax liability.

Capital gains realised upon the sale of the Notes to a party other than the Issuer are in principle tax exempt, unless they fall outside the scope of the normal management of the investor's private estate. However, in case of a sale of Notes between two interest payment dates, the part of the sale price attributable to accrued interest must normally be declared by the investor in his or her personal income tax return and will undergo the same tax treatment as set out in the previous paragraph (on a *pro rata* basis). Capital losses on the Notes are in principle not tax deductible.

Belgian resident companies

Companies that are Belgian residents for tax purposes, i.e., that are subject to Belgian corporate income tax (*Vennootschapsbelasting*/*Impôt des sociétés*) are subject to the following tax treatment in Belgium with respect to the Notes. Different rules apply to companies subject to a special tax regime, such as investment companies within the meaning of Article 185 *bis* of the Belgian Income Tax Code 1992.

Interest payments on the Notes made through a paying agent in Belgium to Belgian resident companies will in principle be subject to a 30% withholding tax (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. For Zero Coupon Notes or Notes with a capitalisation feature, an exemption will only apply if the investor and the Issuer are related companies within the meaning of Article 105, 6° of the Royal Decree of 27 August 1993 implementing the Belgian Income Tax Code 1992.

Interest on the Notes will be subject to Belgian corporate income tax (on an accrual basis) at the standard rate of currently 29.58% (with a reduced rate of 20.40% applying to the first tranche of EUR 100,000 of taxable income of qualifying small companies), to be reduced to 25% (and 20%) as from 1 January 2020 onwards. If non-Belgian withholding tax has been levied on the interest, a foreign tax credit will be applied against the Belgian tax due, if any (if the non-Belgian withholding tax exceeds the amount of Belgian corporate income tax, the excess cannot be carried forward and is not refundable). The foreign tax credit is determined by reference to a fraction where the numerator is equal to the rate of the foreign tax with a maximum of 15 and the denominator is equal to 100 minus the amount of the numerator (with a number of additional limitations). Any Belgian withholding tax that has been levied is creditable and refundable in accordance with the applicable legal provisions.

Capital gains realised upon a sale of the Notes to a party other than the Issuer will be subject to Belgian corporate income tax at the standard rate of currently 29.58 % (with a reduced rate of 20.40% applying to

the first tranche of EUR 100,000 of taxable income of qualifying small companies), to be reduced to 25% (and 20%) as from 1 January 2020 onwards. Capital losses on the Notes will in principle be tax deductible.

Organisations for Financing Pensions

Belgian pension fund entities that have the form of an Organisation for Financing Pensions ("**OFP**") are subject to Belgian corporate income tax (*Vennootschapsbelasting*/*Impôt des sociétés*). OFPs are subject to the following tax treatment in Belgium with respect to the Notes.

Interest derived by OFP (*Organismen voor de Financiering van Pensioenen/Organismes de Financement de Pensions)* Noteholders on the Notes and capital gains realised upon a sale of the Notes to a party other than the Issuer will not be subject to Belgian corporate income tax. Any Belgian withholding tax levied is creditable and refundable in accordance with the applicable legal provisions. Capital losses on the Notes will not be tax deductible.

Other Belgian resident 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 on the Notes made through a paying agent in Belgium will in principle be subject to a 30% withholding tax (calculated on the interest received after deduction of any non-Belgian withholding taxes). No further tax on legal entities will be due on the interest.

If the interest is paid abroad without the intervention of a paying agent in Belgium, no Belgian withholding tax will be deducted but the investor itself must declare the interest (after deduction of any non-Belgian withholding taxes) to the Belgian tax administration and pay the applicable withholding tax to the Belgian treasury.

Capital gains realised upon the sale of the Notes to a party other than the Issuer will in principle not be taxable. However, in case of a sale of Notes between two interest payment dates, the part of the sale price attributable to accrued interest must normally be declared by the investor and will be subject to withholding tax as set out in the previous paragraph (on a *pro rata* basis). Capital losses on the Notes will in principle not be tax deductible.

Belgian non-residents

Interest payments on the Notes made to non-residents of Belgium through a paying agent in Belgium will, in principle, be subject to a 30% withholding tax (calculated on the interest received after deduction of any non-Belgian withholding taxes), unless the holder of the Notes is resident in a country with which Belgium has concluded a double taxation agreement and delivers the requested affidavit. If the interest is paid abroad without the intervention of a paying agent in Belgium, no Belgian withholding tax will apply.

Non-resident investors who have not allocated the Notes to the exercise of a professional activity in Belgium through a permanent establishment can also obtain an exemption from Belgian withholding tax on interest from the Notes paid through a credit institution, a stock market company or a clearing or settlement institution established in Belgium, provided that they deliver an affidavit to such institution or company confirming that: (i) they are non-residents; (ii) the Notes are held in full ownership or in usufruct; and (iii) the Notes are not allocated to the exercise of a professional activity in Belgium. No other Belgian income tax will be due by these investors.

Non-resident investors who have allocated the Notes to the exercise of a professional activity in Belgium through a permanent establishment are subject to the same tax rules as Belgian resident companies (see above).

Taxes on stock exchange transactions and on repurchase transactions

A tax on stock exchange transactions (*Taxe sur les opérations de bourse/Taks op de beursverrichtingen*) will be levied on the acquisition and disposal of the Notes on a secondary market if (i) executed in Belgium through a professional intermediary, or (ii) deemed to be executed in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium, either by private individuals with habitual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium.

The tax is generally due at a rate of 0.12%, on each sale and acquisition separately, with a maximum amount of EUR 1,300 per transaction and per party. A separate tax is due by each party to the transaction, and both taxes are collected by the professional intermediary. However, if the intermediary is established outside of Belgium, the tax will in principle be due by the ordering private individual or legal entity, unless that individual or entity can demonstrate that the tax has already been paid. Professional intermediaries established outside of Belgium can, subject to certain conditions and formalities, appoint a Belgian representative for tax purposes, which will be liable for the tax on stock exchange transactions in respect of the transactions executed through the professional intermediary.

No transfer tax will be due on the issuance of the Notes (primary market).

A tax on repurchase transactions (*Taxe sur les reports/Taks op reportverrichtingen*) at the rate of 0.085% will be due from each party to any such transaction entered into or settled in Belgium in which a stockbroker acts for either party, with a maximum amount per party and per transaction of EUR 1,300.

However, neither of the taxes referred to above will be payable by exempt persons acting for their own account, including (i) investors who are Belgian non-residents, provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident, status and (ii) certain Belgian institutional investors, as defined in Articles 126/1, 2° and 139 of the Code of various duties and taxes *(Code des droits et taxes divers/Wetboek diverse rechten en taksen*).

As stated above, the European Commission has published a proposal for a Directive for the FTT. The proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions and the tax on repurchase transactions should thus be abolished once the FTT enters into force. The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.