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THE SUPPLEMENT IS A FREE NON-BINDING TRANSLATION OF THE FRENCH LANGUAGE "SUPPLEMENT" DATED 12 NOVEMBER 2015 TO THE BASE PROSPECTUS DATED 6 MARCH 2015. IN THE EVENT OF ANY AMBIGUITY OR CONFLICT BETWEEN CORRESPONDING STATEMENTS OR OTHER ITEMS CONTAINED IN THE SUPPLEMENT, THE RELEVANT STATEMENTS OR ITEMS OF THE FRENCH LANGUAGE "SUPPLEMENT" SHALL PREVAIL.

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Confirmation of your Representation: In order to be eligible to view the Supplement or make an investment decision with respect to the Notes to be issued under the Programme, you must not be a U.S. person (as defined in Regulation S under the Securities Act) and must be outside the United States. By accepting the e-mail and accessing the Supplement, you shall be deemed to have represented to us that (i) you and any customers you represent are not U.S. persons and are not located in the United States; (ii) the electronic mail (or e-mail) address that you have given to us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any State of the United States or the District of Columbia; (iii) you consent to delivery of such Supplement by electronic transmission; (iv) you acknowledged that the attached Supplement is a free non-binding translation of the original French language version which is communicated to you for information purposes only.



Par et pour
les collectivités

Agence France Locale
€ 3,000,000,000 d'euros
Euro Medium Term Note Programme

Benefiting from first demand guarantees mechanism granted by Agence France Locale – Société Territoriale and by the members of the Agence France Locale Group having subscribed for a loan with the Issuer

This supplement (the “**Supplement**”) supplements, and should be read and interpreted in conjunction with, the base prospectus dated 6 March 2015 (the “**Base Prospectus**”) granted by the *Autorité des marchés financiers* (the “**AMF**”) under n°15-079 dated 6 March 2015, prepared by the Agence France Locale (“**Agence France Locale**” or the “**Issuer**”) and relating to its issuance programme of notes amounting to €3,000,000,000 (*Euro Medium Term Note Programme*) (the “**Programme**”). The Base Prospectus as modified by this Supplement constitutes a Base Prospectus for the purposes of Directive 2003/71/EVC of the European Parliament and the Council of 4 November 2003 as amended by Directive 2010/73/EC of the European Parliament and the Council of 24 November 2010 (together the “**Prospectus Directive**”).

Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

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

This Supplement has been prepared for the purpose of article 212-25 of the AMF’s *Règlement Général* which implements article 16.1 of the Prospectus Directive following the publication of the non-consolidated financial statements for the six months ended 30 June 2015 by the Issuer and the consolidated financial statements for the six months ended 30 June 2015 by Agence France Locale – Société Territoriale (the “**ST**”) on 30 September 2015 and includes, in particular, (i) the incorporation by reference in the Base Prospectus, of the respective interim financial reports of the Issuer and the ST for the period ended 30 June 2015, (ii) the update of information contained in the sections “Presentation of the Issuer”, “Summary of the Programme”, “Description of the Issuer”, “Description of the guarantors and the guarantee mechanism” and “General Information” of the Base Prospectus to account for the capital increases of the ST on 22 June 2015 and 23 October 2015 that led to the entry of twenty-three (23) new Members and the inaugural bond issue dated on 2 April 2015 and (iii) the downgrading by Moody’s France SAS of the rating of the Issuer from Aa2, negative outlook, to Aa3, stable outlook, and that of the Programme, from Aa2 to Aa3 following that of the French State.

To the extent that there is any inconsistency between any statements in this Supplement and any other statement in or incorporated in the Base Prospectus, the statements in the Supplement will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included or incorporated by reference in the Base Prospectus which is likely to have a significant influence on the valuation of Notes has occurred or has been recorded since the publication of the Base Prospectus.

Copies of this Supplement and the Base Prospectus are available for inspection and copying, free of charge, during normal office business hours, on any day of the week (except Saturdays, Sundays and holidays) in the designated office of the Fiscal Agent or the Paying Agent(s), as indicated at the end of the Base Prospectus and this Supplement will be published on the website (i) of the AMF (www.amf-france.org) and (ii) of the Issuer (www.agence-france-locale.fr).

In accordance with article 212-25 of the AMF *Règlement Général*, as amended, investors who have already agreed to purchase or subscribe for Notes before the publication of this Supplement have the right to withdraw their acceptances, this right may be exercised for a period of two (2) trading days after the publication of this Supplement to the Base Prospectus, *i.e.* until 16 November 2015.

TABLE OF CONTENTS

	Page
DOWNGRADING OF THE ISSUER'S FINANCIAL RATING	5
PRESENTATION OF THE ISSUER	6
SUMMARY OF THE PROGRAMME	7
DOCUMENTS INCORPORATED BY REFERENCE.....	19
RISK FACTORS	21
DESCRIPTION OF THE ISSUER.....	30
DESCRIPTION OF THE GUARANTORS AND THE GUARANTEE MECHANISM	32
FORM OF FINAL TERMS.....	38
APPENDIX TO THE BASE PROSPECTUS	46
GENERAL INFORMATION.....	47
RESPONSIBILITY FOR THIS SUPPLEMENT TO THE BASE PROSPECTUS	48

DOWNGRADING OF THE ISSUER'S FINANCIAL RATING

The second page of the Base Prospectus is modified as described below in order to account for the downgrading of financial rating of the Issuer and the Programme by Moody's.

1. The seventh paragraph is deleted in its entirety and replaced as follows:

“The Issuer has been assigned an Aa3 rating with a stable outlook by Moody's France SAS (**Moody's**). The Programme has an Aa3 rating assigned by Moody's on 28 September 2015. Notes issued under the Programme may or may not be attributed a rating. The rating attributed to the Notes, if any, shall be specified in the relevant Final Terms. The rating of the Notes may not necessarily be the same as that of the Programme. A rating is not a recommendation to buy, sell or hold Notes and may be suspended, amended or withdrawn at any time by the relevant rating agency. On the date of this Base Prospectus, Moody's is a rating agency established in the European Union and registered in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and Council of 16 September 2009 relating to credit rating agencies as amended (the **CRA Regulation**) and is included on the list of credit rating agencies published on the European Financial Markets Authority website (www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation.”

PRESENTATION OF THE ISSUER

The section “Presentation of the Issuer” of the Base Prospectus is modified as described below.

1. The third paragraph of the section entitled “Characteristics and mandate” of the section entitled “Presentation of the Issuer” on page 11 of the Base Prospectus is deleted in its entirety and replaced as follows:

“The agency was formally established on 22 October 2013 - the date on which its deed of constitution was signed - and was granted a banking license in its capacity as specialised credit institution on 22 December 2014 by the French Prudential Supervisory Authority. On 29 January 2015 the rating agency Moody's assigned it a long-term rating of Aa2 with a negative outlook, in line with that of the French State. Following the downgrading of the sovereign rating of the French state by Moody's on 18 September 2015, the rating assigned to the Issuer was lowered by Moody's on 23 September 2015 to Aa3, with stable outlook.”

2. The penultimate paragraph of the section entitled “Characteristics and mandate” of the section entitled “Presentation of the Issuer” on page 12 of the Base Prospectus is deleted in its entirety and replaced as follows:

“As at the date of the Base Prospectus there are 114 Member Authorities. They have committed to subscribe for a total amount of more than 117 million Euros of the share capital of Agence France Locale – Société Territoriale of which 76 million Euros has been paid up as at the date of this Base Prospectus, corresponding to a total capital of 73 million Euros paid up at the Issuer's level. Member Authorities are able, if they so wish, to pay their Initial Capital Contribution (ICC) in three instalments spread over three years.”

SUMMARY OF THE PROGRAMME

The subsection B.5 of the summary entitled “Description of the Issuer’s group and the Issuer’s position within the Group” on pages 16 to 17 of the Base Prospectus is deleted in its entirety and replaced as follows:

<p>B.5</p> <p>Description of the Issuer’s Group and the Issuer’s position within the Group</p>	<p>Issuer:</p> <p>The structure of Agence France Locale Group is as follows:</p> <div style="text-align: center; margin: 20px 0;"> </div>
	<p>99.99% of Agence France Locale's share capital and voting rights are held by ST, the balance (which represents 10 shares) is divided between the 10 founding Members of ST, in order to comply with the requirements of Article L. 225-1 of the French <i>Code de commerce</i>, which stipulates that the number of shareholders of a <i>Société Anonyme</i> cannot be less than seven. The first members of the Board of Directors of ST are representatives of ST.</p> <p>The shareholders of ST are exclusively local authorities who have obtained the necessary</p>

	<p>internal authorisations and whose financial situation allows them to be Members of the Agence France Locale Group.</p> <p>To the extent that, in accordance with the provisions of Article L. 1611-3-2 of the French <i>Code des collectivités territoriales</i> (the CGCT), the right to be granted credits by the Issuer is subject to the quality of Membership, the number of shareholders of ST is intended to increase with the development of the Agence France Locale Group.</p> <p>The operational rules of the Agence France Locale Group were designed in order to ensure continuity of its share ownership. The Members are, under the terms of the Shareholders' Agreement, in particular obliged to retain their shareholdings until the tenth anniversary of the payment of their ICC and transfers of shares are subject to approval from the Board of Directors of ST.</p> <p>This increase in the number of shareholders will result in a corresponding reduction in the respective weight of each Member in the share capital of ST and the control of ST by any one of its shareholders.</p> <p>As at 10 November 2015, the share capital of ST is held by 114 local authorities and none of whom hold more than 10% of the share capital, with the exception of two Members. This is the city of Marseille on the one hand and on the other hand the <i>Métropole de Lyon</i>, whose respective interests should eventually go under the threshold of 10 % through future accessions of new Members to the Agence France Local Group.</p>
	<p>List of Members at the date of this Base Prospectus</p> <p>Commune d'Amiens</p> <p>Communauté d'agglomération d'Amiens Métropole</p> <p>Communauté de communes Ardennes rives de Meuse</p> <p>Commune de Bordeaux</p> <p>Commune de Bourg Argental</p> <p>Département de l'Aisne</p> <p>Département de la Savoie</p> <p>Département de l'Essonne</p> <p>Communauté urbaine de Cherbourg</p> <p>Communauté d'agglomération de Clermont Communauté</p>

Commune de Conches-en-Ouches
Communauté urbaine de Dunkerque Grand Littoral
Métropole de Lyon
Commune de Lons-le-Saunier
Commune de Montreuil
Communauté urbaine du Grand Nancy
Commune de Nantes
Métropole de Nantes
Région Pays de la Loire
Commune de Saint Augustin des Bois
Commune de Saint Jean de Bonnefonds
Métropole de Toulouse
Communauté d'agglomération de Valenciennes Métropole
Commune de Grenoble
Métropole Européenne de Lille
Communauté d'agglomération Plaine Commune
Communauté de communes de Bassin de Pompey
Commune de Brest
Métropole de Brest
Commune de Guéthary
Commune de Plouzané
Commune de Lannion
Communauté d'agglomération du Grand Besançon
Communauté de communes de Pays de Conche
Commune de Pertuis
Communauté urbaine Creusot Montceau
Métropole Rouen Normandie
Commune de Saint-Hilaire-de-Riez
Commune de Saint Nazaire
Commune de Saumur
Commune de Teilhède
Communauté d'agglomération de Grand Poitiers

Commune d'Evreux
Communauté d'agglomération de la Vallée de la Marne
Commune de Marseille
Communauté Urbaine de Marseille Provence Métropole
Commune de Roquefort sur Souzou
Commune de Noyon
Commune de Flourens
Communauté d'agglomération Est Ensemble
Commune de Beaucozé
Communauté d'Agglomération de Chambéry Métropole
Communauté d'Agglomération du pays de Morlaix
Communauté d'Agglomération de Pau Pyrénées
Communauté d'Agglomération Seine Amont
Communauté d'Agglomération du Val de Fensch
Communauté de Communes du Pays Mornantais
Communauté de Communes du secteur d'Illfurth
Communauté de Communes Amfreville la Campagne
Commune de Balaruc les Bains
Commune de Bourgoin Jallieu
Commune de Domérat
Commune de La Motte Servolex
Commune du Bouscat
Commune de Mâcon
Commune de Nogent sur Mame
Commune de Pollestres
Commune de Saint Avé
Commune de Saint Brice
Commune de Saint Denis
Commune de Saint Saulve
Commune de Vendôme
Commune de Vincennes
Commune de Wittenheim

Commune d'Huingue
Commune d'Usson en Forez
Département de l'Ariège
Commune de Pau
Communauté d'Agglomération du Grand Périgueux
Communauté d'Agglomération Thau Agglo
Communauté de Communes des coteaux du Girou
Communauté de Communes du Pays Noyonnais
Communauté de Communes de la Vallée du Garon
Communauté de Communes Vic Montaner
Métropole de Strasbourg
Métropole de Bordeaux
Commune de Clermont Ferrand
Commune de Vernon
Commune de Villeurbanne
Commune de Vitrac
Commune du Thuit-Anger
Commune d'Attiches
Communauté de communes du Pays de l'Huisne Sarthoise
Communauté de communes du Pont du Gard
Communauté de communes du Rhône aux Gorges de l'Ardèche
Communauté de communes Pévèle Carembault
Commune de Créteil
Commune de Croix
Commune de Cysoing
Commune de Gonesse
Commune de La Mulatière
Commune de Roquesérière
Commune de Pujo
Commune d'Alençon
Commune d'Aulnoy-lez-Valenciennes
Communauté urbaine d'Alençon

	Communauté d'agglomération de Blois Agglopolys
	Communauté de communes des Rives de l'Ain
	Département de la Meuse
	Commune d'Oloron-Sainte-Marie
	Commune de Pont d'Ain
	Commune de Saint-Martin-de-Seignanx
	Commune de Saint-Pierre-des-Fleurs
	Commune de Saulzoir

The subsection B.9 of the summary entitled "Profit forecast or estimate" on pages 19 to 20 of the Base Prospectus is deleted in its entirety and replaced as follows:

<p>B.9</p> <p>Profit forecast or estimate</p>	<p>Issuer:</p> <p>Given the non-consolidated interim results of the Issuer as at 30 June 2015 and the current state of production credits, the forecasts presented below in scenario 1 (Lower provision of loans due to less competitive positioning of the Issuer) and scenario 2 (Contraction in the market for Local Authorities financing and an increase in the Issuer's refinancing costs), including those relating to loans and receivables to customers in the amount of at least € 450M, are the forecasts the Issuer considers most likely as at 10 November 2015.</p> <p>To measure the sensitivity of the business plan of the Issuer key assumptions supporting the initial objectives of the Issuer, the latter has established the following variants of the original baseline scenario:</p> <p>1. Lower provision of loans due to less competitive positioning of the Issuer</p> <p>The assumption used in this scenario is that the volume of the loans produced by the Issuer decreases, without a credit margin increase, due to a less competitive business position, assuming that all other factors remain the same, in particular the refinancing rate.</p> <p>(i) 2015-2016 Balance sheet items (€ million)</p> <table border="1"> <thead> <tr> <th></th> <th>2015</th> <th>2016</th> </tr> </thead> <tbody> <tr> <td>Customer loans and receivables</td> <td>453</td> <td>1.068</td> </tr> <tr> <td>Other²</td> <td>623</td> <td>529</td> </tr> <tr> <td>Total assets</td> <td>1.076</td> <td>1.597</td> </tr> <tr> <td>Debts represented by a security</td> <td>1.000</td> <td>1.450</td> </tr> <tr> <td>Other</td> <td>4</td> <td>2</td> </tr> <tr> <td>Total liabilities</td> <td>1.004</td> <td>1.452</td> </tr> <tr> <td>Equity</td> <td>72</td> <td>145</td> </tr> <tr> <td>Total liabilities and equity</td> <td>1.076</td> <td>1.597</td> </tr> </tbody> </table>		2015	2016	Customer loans and receivables	453	1.068	Other ²	623	529	Total assets	1.076	1.597	Debts represented by a security	1.000	1.450	Other	4	2	Total liabilities	1.004	1.452	Equity	72	145	Total liabilities and equity	1.076	1.597
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² This line corresponds to a portion of the proceeds from the debt issued by the issuer that will fund its liquidity reserve to meet prudential requirements.

(ii) Items included in 2015-2016 income (in € million)

	2015	2016
Net banking income	2.2	8.1
Gross operating profits	-9.6	-2.0

2. Contraction in the market for Local Authorities financing and an increase in the Issuer's refinancing costs

The assumptions used in this scenario are as follows:

- Contraction of the market to €10 billion from 2015; and
- 40 bp increase in refinancing cost;

assuming all other factors in the main scenario and sensitivity analysis (a) set out above remain the same, in particular the commercial margin applied to loans offered to Members and the rate of liquidity remuneration.

(i) 2015-2016 Balance sheet items (€ million)

	2015	2016
Customer loans and receivables	453	1,068
Others ³	620	525
Total assets	1.073	1.593
Debts – represented by a security	1.000	1.450
Others	4	3
Total Liabilities	1.004	1.453
Equity	69	140
Total Liabilities and Equity	1.073	1.593

(ii) Items included in 2015-2016 income (in € million)

	2015	2016
Net banking income	-0.8	6.1
Gross operating profit	-12.6	-4.1

The subsection B.10 of the summary entitled “Qualifications in the auditors’ report” on page 20 of the Base Prospectus is deleted in its entirety and replaced as follows:

³ This line corresponds to a portion of the proceeds from the debt issued by the issuer that will fund its liquidity reserve to meet prudential requirements.

B.10 Qualifications in the auditors' report	<p>Issuer:</p> <p>The Auditors' report on the Issuer's financial statement for the year ended 31 December 2014 contains no qualifications.</p> <p>The Auditors' report on the Issuer's half year non-consolidated condensed financial statements for the period ended 30 June 2015 contains no qualifications.</p>
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The subsection B.12 of the summary entitled "Selected historical key financial information" on pages 20 to 21 of the Base Prospectus is deleted in its entirety and replaced as follows:

B.12 Selected historical key financial information	<p>Issuer:</p> <p>The Issuer was established on 17 December 2013. It therefore cannot provide historical financial information for the previous two years.</p> <p>The information set out below is based on the Issuer's restated IFRS financial statements. However, only the Issuer's financial statements prepared in accordance with French standards have legal value. These are set out in the Annex to this Base Prospectus, together with the related Auditors' report.</p> <p style="text-align: center;">- Consolidated balance sheet on 31 December 2014 and on 30 June 2015 (in thousands of Euros):</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">31 December 2014</th> <th style="text-align: center;">30 June 2015</th> </tr> </thead> <tbody> <tr> <td>Customer loans and receivables⁴</td> <td style="text-align: center;">0</td> <td style="text-align: center;">97,123</td> </tr> <tr> <td>Hedging derivatives instruments</td> <td></td> <td style="text-align: center;">3,399</td> </tr> <tr> <td>Available-for-sale financial assets</td> <td></td> <td style="text-align: center;">595,595</td> </tr> <tr> <td>Held-to-maturity financial assets</td> <td style="text-align: center;">30,755</td> <td style="text-align: center;">53,866</td> </tr> <tr> <td>Others³</td> <td style="text-align: center;">15,520</td> <td style="text-align: center;">61,064</td> </tr> <tr> <td>Total Assets</td> <td style="text-align: center;">46,275</td> <td style="text-align: center;">811,047</td> </tr> <tr> <td>Hedging derivatives instruments</td> <td></td> <td style="text-align: center;">22,127</td> </tr> <tr> <td>Debts – represented by a security²</td> <td style="text-align: center;">0</td> <td style="text-align: center;">728,891</td> </tr> <tr> <td>Others</td> <td style="text-align: center;">16,960</td> <td style="text-align: center;">2,361</td> </tr> <tr> <td><i>Including commitments to supply</i></td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Total Liabilities</td> <td style="text-align: center;">16,960</td> <td style="text-align: center;">753,379</td> </tr> <tr> <td>Equity</td> <td style="text-align: center;">29,316</td> <td style="text-align: center;">57,668</td> </tr> <tr> <td>Total Liabilities and Equity</td> <td style="text-align: center;">46,275</td> <td style="text-align: center;">811,047</td> </tr> </tbody> </table> <p style="text-align: center;">- Components of profit elements on 31 December 2014 and on 30 June 2015 (in thousands of euros):</p>		31 December 2014	30 June 2015	Customer loans and receivables ⁴	0	97,123	Hedging derivatives instruments		3,399	Available-for-sale financial assets		595,595	Held-to-maturity financial assets	30,755	53,866	Others ³	15,520	61,064	Total Assets	46,275	811,047	Hedging derivatives instruments		22,127	Debts – represented by a security ²	0	728,891	Others	16,960	2,361	<i>Including commitments to supply</i>	0	0	Total Liabilities	16,960	753,379	Equity	29,316	57,668	Total Liabilities and Equity	46,275	811,047
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⁴ In the year ended 31 December 2014 this aggregated data was not present in the Issuer's IFRS accounts as certified by the auditors as it was equal to 0 during the first reporting period, due to the fact the Issuer's lending activity had not begun. It will be included in the next accounts of the Issuer.

	17 December 2013 – 31 December 2014	1st January 2015 – 30 June 2015
Net banking income	311	-677
Gross operating profit	-9,726	-7,154
Net Income	-6,484	-4,770

The negative net income for the year ended 31 December 2014 is mainly due to the fact that the Issuer (i) had to endure important general operating expenses for the implementation of the means needed to start its activity and (ii) having obtained its approval as a specialised credit institution on 22 December 2014, has not been able to start its lending activity during this exercise.

The negative net income for the half year financial statements ended 30 June 2015, is rooted in two factors: firstly the lack of start credit portfolio of the Issuer's activities at the beginning of the 2nd quarter 2015 and secondly the impact of the temporary storage of the resulting liquidity of the inaugural bond issue on very short-term instruments with a negative rate of remuneration.

Given the non-consolidated interim results of the Issuer as at 30 June 2015 and the current state of production credits, the forecasts presented below in scenario 1 (Lower provision of loans due to less competitive positioning of the Issuer) and scenario 2 (Contraction in the market for Local Authorities financing and an increase in the Issuer's refinancing costs), in paragraph B.9 above, in particular those relating to loans and receivables to customers for an amount of at least € 450M, are the forecasts the Issuer considers most likely as at 10 November 2015.

The subsection B.17 of the summary entitled "Credit ratings assigned to the Issuer or its debt securities" on page 22 of the Base Prospectus is deleted in its entirety and replaced as follows:

<p>B.17</p> <p>Credit ratings assigned to the Issuer or its debt securities</p>	<p>Issuer:</p> <p>On 23 September 2015, the Issuer was assigned a rating of Aa3 by Moody's France SAS (Moody's), with a stable outlook, due to the downgrading of the sovereign rating of the French state by Moody's on 18 September 2015.</p> <p>The Programme was assigned a rating of Aa3 by Moody's on 28 September 2015.</p> <p>The Notes issued under the Programme may or may not be rated. The rating of the Notes, if applicable, will be specified in the relevant Final Terms. The rating of the Notes will not necessarily be identical to the rating of the Issuer.</p> <p>A rating is not a recommendation to buy, sell or hold Notes and may be suspended, amended or withdrawn at any time by the relevant rating agency. On the date of this Base Prospectus, Moody's is a rating agency established in the European Union and registered in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and Council of 16 September 2009 relating to credit rating agencies as amended (the CRA Regulation) and is included on the list of credit rating agencies published on the European Financial</p>
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	<p>Markets Authority website (www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation.</p>
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The subsection B.5/B.10 of the summary entitled “Qualifications in the auditors’ report” on page 24 of the Base Prospectus is deleted in its entirety and replaced as follows:

<p>B.5/B.10 Qualifications in the auditors’ report</p>	<p>ST:</p> <p>The Auditors’ report on ST’s accounts for the year ended 31 December 2014 contains no qualifications.</p> <p>The Auditors’ report on the Issuer’s half year consolidated condensed financial statements for the period ended 30 June 2015 contains no qualifications.</p>
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The subsection B.19/B.12 of the summary entitled “Selected historical key financial information” on pages 24 to 25 of the Base Prospectus is deleted in its entirety and replaced as follows:

B.19/B.12 Selected historical key financial information	ST: As ST was established on 3 December 2013, it cannot provide historical financial information covering two financial years. The figures in the tables below are taken from the IFRS consolidated financial statements of the ST.																																										
	<ul style="list-style-type: none"> - Consolidated balance sheet on 31 December 2014 and on 30 June 2015 (in thousands of Euros): 																																										
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 10%; text-align: center;">31 December 2014</th> <th style="width: 10%; text-align: center;">30 June 2015</th> </tr> </thead> <tbody> <tr> <td>Customer loans and receivables⁵</td> <td style="text-align: center;">0</td> <td style="text-align: center;">97,123</td> </tr> <tr> <td>Hedging derivatives instruments</td> <td></td> <td style="text-align: center;">3,399</td> </tr> <tr> <td>Available-for-sale financial assets</td> <td></td> <td style="text-align: center;">595,595</td> </tr> <tr> <td>Held-to-maturity financial assets</td> <td style="text-align: center;">31,873</td> <td style="text-align: center;">56,259</td> </tr> <tr> <td>Others</td> <td style="text-align: center;">15,842</td> <td style="text-align: center;">61,371</td> </tr> <tr> <td>Total Assets</td> <td style="text-align: center;">47,715</td> <td style="text-align: center;">813,747</td> </tr> <tr> <td>Hedging derivatives instruments</td> <td></td> <td style="text-align: center;">22,127</td> </tr> <tr> <td>Debts – represented by a security⁵</td> <td style="text-align: center;">0</td> <td style="text-align: center;">728,891</td> </tr> <tr> <td>Others</td> <td style="text-align: center;">17,031</td> <td style="text-align: center;">2,313</td> </tr> <tr> <td><i>Including commitments to supply</i></td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Total Liabilities</td> <td style="text-align: center;">17,031</td> <td style="text-align: center;">753,331</td> </tr> <tr> <td>Equity</td> <td style="text-align: center;">30,684</td> <td style="text-align: center;">60,416</td> </tr> <tr> <td>Total Liabilities and Equity</td> <td style="text-align: center;">47,715</td> <td style="text-align: center;">813,747</td> </tr> </tbody> </table>		31 December 2014	30 June 2015	Customer loans and receivables ⁵	0	97,123	Hedging derivatives instruments		3,399	Available-for-sale financial assets		595,595	Held-to-maturity financial assets	31,873	56,259	Others	15,842	61,371	Total Assets	47,715	813,747	Hedging derivatives instruments		22,127	Debts – represented by a security ⁵	0	728,891	Others	17,031	2,313	<i>Including commitments to supply</i>	0	0	Total Liabilities	17,031	753,331	Equity	30,684	60,416	Total Liabilities and Equity	47,715	813,747
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⁵ In the year ended 31 December 2014 this aggregated data was not present in the Issuer’s IFRS accounts as certified by the auditors as it was equal to 0 during the first reporting period, due to the fact the Issuer’s lending activity had not begun. It will be included in the next accounts of the Issuer.

The subsection B.19/B.13 of the summary entitled “Recent events relating to the Guarantor of significant interest for the assessment of creditworthiness” on page 25 of the Base Prospectus is deleted in its entirety and replaced as follows:

<p>B.19/B.13 Recent events relating to the Guarantor of significant interest for the assessment of creditworthiness</p>	<p>ST: At the date of this Base Prospectus, there has been no material change in the financial or commercial situation of ST since 30 June 2015. At the date of this Base Prospectus, there has been no material adverse change in the prospects of ST since 31 December 2014.</p>
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The second paragraph of the subsection B.19/B.47 of the summary entitled “Description of Members subscribing a loan with the Issuer” appearing on pages 26 to 29 of the Base Prospectus is deleted in its entirety and replaced as follows:

<p>B.19/B.47 Description of Members subscribing a loan with the Issuer</p>	<p>As at 10 November 2015, the total amount of the guarantees provided by Members amounted to 170,467,083.34 euros.</p>
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DOCUMENTS INCORPORATED BY REFERENCE

The next section, entitled “Documents incorporated by reference” is added to page 41 of the Base Prospectus:

“DOCUMENTS INCORPORATED BY REFERENCE

The Base Prospectus should be read and interpreted with the following documents which are incorporated by reference in this Base Prospectus and have been previously filed with the AMF:

- The financial report as at 30 June 2015 including the management report as at 30 June 2015, the Issuer’s non-consolidated interim financial statements as at, and for the six months ended, 30 June 2015 prepared under IFRS, the Issuer’s non-consolidated interim financial statements as at, and for the six months ended, 30 June 2015 prepared in accordance with French accounting standards, including the notes relating to such financial statements and the limited review report of the auditors on those accounts (“**2015 Non-Consolidated Interim Financial Statements of AFL**”);
- The consolidated interim financial statements of ST as at, and for the six months ended, 30 June 2015, their notes and the auditors’ limited review report on those accounts (the “**2015 Consolidated Interim Financial Statements of ST**”).

2015 Non-Consolidated Interim Financial Statements of AFL (IFRS)	Pages
Balance sheet	14
Income statement	15-16
Consolidated statement of changes in equity	17
Cash flow statement	18
Appendix and Notes	19-35
Auditors’ limited review report	36-38

2015 Non-Consolidated Interim Financial Statements of AFL (French standards)	Pages
Balance sheet	39
Income statement	40
Off-balance sheet	41
Appendix and Notes	42-55
Auditors’ limited review report	56-58

2015 Consolidated Interim Financial Statements of ST	Pages
Balance sheet	1

Income statement	2-3
Consolidated statement of changes in equity	4
Cash flow statement	5
Appendix and Notes	6-23
Auditors' limited review report	24-26

RISK FACTORS

The introductory paragraphs and the subsection 1° “Risks factors relating to the Issuer” of the section “Risk factors” in the Base Prospectus included on page 42 is deleted in its entirety and replaced as follows:

“Risk factors

The Issuer believes that the following risk factors are important for any decision to invest in the Notes and/or may affect its ability to fulfil its obligations under the Notes. These risks are uncertain, and the Issuer is not able to comment on any occurrence of these risks.

The Issuer believes that the factors described below represent the key risks relating to the Issuer and to the Notes issued under the Programme, without being exhaustive. The risks described below are not the only risks to which an investor in the Notes may be exposed. Other risks and uncertainties, that are currently unknown to the Issuer or that it thinks are not decisive at the date of this Base Prospectus, can have a significant impact on investments in the Notes. Potential investors must also read the detailed information which appears in this Base Prospectus and form their own opinion before taking any investment decision. In particular, investors must conduct their own examination of the risks linked to the Notes before investing in the Notes and must consult their own financial or legal advisers in relation to the risks linked to the investment in specific series of Notes and the appropriateness of such an investment considering their own situation. Investors are informed that they can, in some circumstances, lose some or all of the value of their investment.

The Issuer believes that Notes should only be purchased by investors who are capable of understanding the particular risks that an investment in the Notes involves.

The order of presentation of the risks below is not an indication of the probability of their occurrence.

Any reference below to a Condition is a reference to the correspondingly numbered condition in the “Terms and Conditions”.

1. RISK FACTORS RELATING TO THE ISSUER

The Issuer conducted a review of the risks that could lead to material adverse changes in the Issuer’s activities, financial statements or income (or its ability to fulfil its objectives).

1.1 Risk relating to the Issuer

(a) Credit and concentration risks

Credit risk covers the risk incurred in the event of a default by a single counterparty or a group of connected customers. The risk is caused by the inability of counterparties, to whom the Issuer granted loans and other debtors of the Issuer, to meet their financial obligations. The occurrence of such risks could lead to a loss in the value for the Issuer.

The counterparty risk is the risk arising from the level of exposure to each counterparty, including central counterparties, a group of connected counterparties, counterparties operating in the same economic sector or geographical area or from the grant of loans to the same type of operations.

Credit and counterparty risk relating to the borrowers

Pursuant to Article L. 1611-3-2 of the *Code général des collectivités (CGCT)*, the Issuer carries out its activities for the exclusive benefit of local and regional authorities, *établissements publics de coopération intercommunale à fiscalité propre* and *Etablissements Publics Territoriaux* (the **Local Authorities**), which are shareholders of the Issuer’s parent company, and the Guarantors of the debt securities issued by the Issuer (the **Members**).

Additionally, Article L. 1611-3-1 of the CGCT subjects the loans granted to the local authorities by credit institutions to certain limits relating to currency, interest rate and hedging instruments.

Even if these counterparties are considered to have limited risk profile, and consequently the credit supplied by the Issuer shares this risk profile, it cannot be completely ruled out that a local authority will not fail. Moreover, as the Issuer can only grant loans to Members, the result is a high concentration of counterparty risk on those Members. The Issuer therefore has a high exposure to a potential adverse change within that sector.

Counterparty and concentration risk relating to hedging contracts and investments of the Issuer's cash resources

In order to limit its exposure to the market and currency risks described below, the Issuer plans to cover its currency positions and manage its variable rate exposure by entering into hedging contracts. The Issuer plans to settle for the most part these derivatives through clearing agencies, but not exclusively. The Issuer cannot guarantee that the counterparties to the hedging contracts it has entered into will be in a position to meet their financial obligations.

Due to the importance of these contracts and the increasing recourse to clearing houses in accordance with regulatory provisions, the default of such clearing houses is not to be excluded and would be likely to significantly affect the ability of the Issuer to pursue its activities.

Due to its cash investments, the Issuer incurs a credit risk on the issuers of its cash portfolio. Although the Issuer has a rather conservative investment policy, it still remains exposed to the risk that the issuers of the securities in which it has invested fail to meet their financial obligations, the occurrence of such risk could trigger a loss in value for the Issuer.

(b) Risks relating to the market

The key risks that are specific to the Issuer are liquidity, currency and interest rate risks.

Liquidity risk

The Issuer is exposed to three aspects of liquidity risk:

- Illiquidity risk: risk linked to a temporary cash shortfall or otherwise stated the risk of the bank not being able to sell off an asset quickly and at a reasonable price on the market;
- Funding liquidity risk: risk linked to the bank not being able to raise sufficient cash to honour its commitments and satisfy the funding needs required for its growth;
- Liquidity transformation risk (also known as liquidity pricing risk): risk linked to the loss in net banking income incurred by an increase in refinancing spreads coupled with a transformation position that is too wide, i.e., an asset-liability mismatch which generally occurs when the assets are longer than the liabilities.

The Issuer's liquidity policy is to hold permanently a significant amount of liquid assets that can be mobilised at any moment in order to meet both its contractual commitments and regulatory requirements: it also provides a diversified funding strategy and a restriction processing.

Given its structure and the size of its cash portfolio, the Issuer is primarily exposed to funding risk and the liquidity transformation risk, without completely ruling out the occurrence of an illiquidity risk. If the Issuer could not access the debt market under reasonable conditions, or if it endured an unforeseen event relating to its treasury or collateral (for example, as collateral of its interest rate derivative transactions or exchange), its liquidity could be adversely affected.

The Issuer's liquidity could, additionally, be affected by events that the Issuer cannot control, such as general market disturbances, operational difficulties affecting third parties, negative opinions on the financial sector institutions in general, the short or long term financial prospects of the Issuer, alterations to credit ratings, or even the perception among market participants of the situation of the Issuer or other financial institutions.

Finally, the Issuer's credit rating is likely to have a significant impact on its access to funding which could limit the ability of the Issuer to find necessary funding for its activities or increase the cost of such funding. The rating by the agencies is based on the examination of characteristics that are specific to the issuers, such as their governance, the level and quality of their income, the adequacy of their equity capital, their funding, their liquidity, their risk management, their risk appetite, the quality of their assets, their strategic orientation, and the diversity of their business units. Rating agencies take into account factors that are relevant to the specific sector, such as legislative or regulatory changes, the macro-economic environment and the perceived levels of state support; it is possible that changes to these factors may lead to a downgrade of the rating of the Issuer and other participants in the sector.

Interest rate risk

Interest rate risk covers the risk that the Issuer suffers loss caused by an adverse change in interest rates, due to its balance sheet and off-balance sheet transactions, particularly in cases where there is an imbalance between interest rates generated by its assets and those due under its liabilities. Interest rate risk includes the risk of refinancing an asset at an interest rate higher than the one that was originally taken out, or the risk of switching an asset with a lower interest rate than the one initially used. In the event of a change in interest rates, there may be in both cases a negative impact on the net interest margin which reduces the Issuer's revenues that can generate an impairment loss.

The financial policy set up by the Issuer aims to protect its balance sheet against interest rate risk by using quasi-systematic micro-hedging of debts and fixed rate assets through interest rate swaps. However, it should be noted that such hedging is not intended to be perfect. In particular, it will not cover a portion of the Issuer's balance sheet (equity) nor small-sized loans individually but instead they are subject to macro-hedging when aggregated since they then constitute a sufficient amount outstanding for this purpose. Finally, the hedge accounting that the Issuer will use on these transactions is likely to generate hedge ineffectiveness resulting in unrealized trigger losses which could materially impact the Issuer's results.

Currency risk

Currency risk covers the risk that the Issuer generates a loss due to borrowed or lent funds in currencies other than euro. The Issuer may be exposed to risks linked to the changes of currency rates between different currencies.

The Issuer's policy aims at systematically covering the risk by entering into currency micro-hedging swaps or cross currency swaps. However, it should be noted that the hedge accounting the Issuer will use on these transactions is likely to generate, in the event of adverse changes in the market, hedge ineffectiveness resulting in unrealized trigger losses which could materially impact the Issuer's results.

(c) Other risks

Non-compliance risks and risks relating to the changes in regulations

The non-compliance risk relates to the risk of legal, administrative or disciplinary sanctions, significant financial loss or reputational damage arising from the non-compliance with the directly applicable provisions governing the banking and finance industries, whether they be legal, regulatory, national, or European in scope, or non-compliance with professional and ethical standards or the instructions made by executive officers particularly in light of the guidelines from the Issuer's Supervisory Board.

On 22 December 2014, the French Prudential Supervisory Authority (the **ACPR**) granted an authorisation to the Issuer as a specialised credit institution, a requirement to carry on banking activities. This authorisation subjects the Issuer to a number of regulatory requirements, among which there is an obligation to adhere to the specific regulatory provisions and prudential ratios.

This regulatory framework is constantly evolving. The regulatory framework changes are likely to disturb the forecasts made by the Issuer regarding its business plan, to increase some of its obligations and therefore impact its income. Should the Issuer not be able to meet the existing and future requirements, its authorisation could be revoked and the Issuer would be forced to end its activity.

Risks relating to the Bank Recovery and Resolution directive within the European Union

On 15 May 2014, the Council of the European Union adopted Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (the **BRRD**). This Directive was implemented in France by Order n°2015-1024 of 20 August 2015. Regulation n°806/2014 on the single resolution mechanism (the **Regulation SRM**) was adopted in July 2014 and is the second pillar of the Banking union. This sets an institutional framework with common rules for credit institutions established in Member States participating in the Single Supervisory Mechanism. The Single Resolution Mechanism will be established in the euro zone in two stages. The preventive measures entered into force on 1st January 2015. The curative provisions will enter into force on 1st January 2016.

The DRRB has instructed EBA to draft about forty guidelines and technical standards. Several guidelines are in the process of being validated, including those relating to the definition of the minimum capital requirement and eligible liabilities bail (*Minimum Requirement on own funds and Eligible Liabilities "MREL"*). These new requirements will apply to the liabilities of institutions. Its purpose is to ensure that banks have sufficient resources to absorb losses and to recapitalize without relying on public support.

These regulations apply to the Issuer in the same way as all credit institutions. The powers currently envisaged in this regulation, could impact the way credit institutions (including the Issuer) are managed as well as, in certain circumstances, on the rights of creditors. They are likely to affect the value of the Issuer, its business plan or the Notes it issued by it.

Risks linked to the failure to implement or breach of the internal control rules, in particular those pursuant to the order of 3 November 2014, in relation to internal control within the banking sector, undertakings, and payment and investment services, subject to the control of the ACPR.

The principles and mechanisms of internal control for banking activities in France and abroad are the heart of the banking and finance regulations and are the subject of numerous legislative and regulatory provisions.

The main legal text in this matter applicable to the Issuer is the order of 3 November 2014, relating to the internal control of banking sector, and payment and investment services subject to the control of the ACPR, which defines, in particular, the implementation conditions and the upholding of internal control of credit institutions. It outlines particularly principles relating to operations and internal procedures control systems, accounting procedures, and the processing of information, risk and results measurement systems, supervisory and risk management systems and to documentation and information on internal control systems.

The Issuer sets up measures in order to comply with such regulations. The Issuer is exposed to a risk linked to potential failures to implement or breaches within the aforesaid measures that could, notably, lead to a loss of value in the Issuer.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed processes, personnel, internal systems, or accidental external events or not including a legal risk. It is defined as the risk of any litigation with consideration resulting from inaccuracy, flaw or failure may be due to the Issuer.

Operational risks include risks with a low probability of occurrence but a risk of significant loss. They concern risks linked to procedural failures and internal systems, to human mistakes or external events, accidental or not.

Internal procedures include human resources and information systems. External events include *inter alia* floods, fires, earthquakes, fraud or even terrorist attacks.

In order to better prevent the occurrence of these various risks and the consequences of any such occurrence, which are all very high at the time of launching operations, the Issuer implemented measures relating to internal control, compliance, and risk monitoring, based on the establishment of permanent and periodic controls over operational risks incurred. The occurrence of such risks however cannot be excluded and can generate a loss of value for the Issuer.

Risks relating to information systems

Information systems are core elements in the activity and functioning of the Issuer. The Issuer has chosen mostly to outsource these systems. In order to minimise exposure to risks, the Issuer has implemented a strict security policy of information systems.

The Issuer is nevertheless exposed to a risk related to the potential loss of availability and integrity of its cyber systems and data which could, in particular, arise from a failure of its external service providers.

The interconnection between the multiple financial institutions and clearing agents, market operators and clearing houses, together with the growing concentration of those businesses, increases the risk that the operational default of one of them leads to an operational default of the whole sector, which could have a significant impact on the ability of the Issuer to carry on its business. The concentration within the sector, between market participants or financial intermediaries, is likely to increase that risk to the extent that complex and heterogeneous systems must be coordinated, often rapidly. Any default, interruption, or operating incident liability actions of this kind could adversely affect the ability of the Issuer or carry out transactions, provide services to Members, manage its exposure to risk, or lead to financial losses, liability actions, a decrease of its liquidity, an interruption of its business, regulatory intervention or harm its reputation.

Risks relating to its insurance

The Issuer has taken out a certain number of insurance policies to cover its operations. Aside from the fact that these policies contain exclusion clauses and cover only part of the operating risks incurred by the Issuer, it is still faced with a risk of a default by one of its insurers.

Legal risk

The Issuer has a loan offer of fixed-rate and adjustable-rate, simple and understandable characteristics. However, a dispute resulting from a distortion of understanding cannot be excluded, such a dispute may cause a loss of value for the Issuer.

Risks relating to human resources

As a result of its structure and of how its operations will be launched, the Issuer relies on a limited number of people to ensure its operational success. The loss of one or more of the people necessary for its business, whether due to dismissals or accidents, would be likely to have a significant impact on its business.

(d) Risks relating to the start of the Issuer's business and to its competitive environment

Risks relating to business and start of the business

The risks related to the Issuers' business include the risk that the Issuer generates losses in the event that its expenses are greater than its income. The business plan of the Issuer currently anticipates that its expenses should cease to be superior to its income in the medium-term; this takes into account the forecasts that the Issuer considers on the date hereof to be the most likely and which are set out in the scenario 1 (Lower provision of loans due to less competitive positioning of the Issuer) and scenario 2 (Contraction in the market for Local Authorities financing and an increase in the Issuer's refinancing costs) paragraph 5.3, page 109 *et seq.* of the Base Prospectus. Although its creation was established by law in response to repeated expressions of strong support over the previous years by a significant number of local authorities, its initial and early business is exposed to several variables, especially the interest it will provoke on the bond market or among local authorities. These variables could delay the acquisition of the quantity of business anticipated by the Issuer, or even prevent it from being achieved at all.

Competition risk

The competition existing and/or increasing in the financing market for local public authorities, both in France and in Europe, could lead to (i) the Issuer's business not achieving the success anticipated, (ii) reduced margins on upcoming commitments reducing the NBI generated by the Issuer, (iii) limit the acquisition of new assets by the Issuer, or (iv) adversely affect the activity, financial conditions, cash flow and the results of the Issuer's operations.

Strategy risk

Pursuant to Article L. 1611-3-2 of the CGCT, the Issuer carries on its business for the exclusive benefit of Members. Consequently, the Issuer is not able to diversify its customers.

The Issuer is therefore dependent upon existing demand in the financial market for local public authorities and, to the extent that demand is lower than anticipated by the Issuer in its business plan or is transferred to other participants or other products, the Issuer could face difficulties in achieving its objectives in terms of profitability, especially those described at paragraph "Revenue and earnings forecasts" of the section Description of the Issuer.

1.2 Political, macro-economic risks or risks relating to specific financial circumstances of the state where the Issuer carries out its business.

The Issuer being a financial institution, its trades are very sensitive to changes in the markets and to the economic environment in France, in Europe and the rest of the world. Due to its exposure to French local public authorities, the Issuer is also subject to risk of loss from potential adverse changes to the political, economic, and European and French legal situations, in particular social instability, changes in public policy – local or national – or in the policies of the central banks.

The Issuer could be faced with a significant deterioration in market conditions and the economic environment, which could lead to crises affecting the capital or credit markets, constraints on liquidity, regional or global recession, significant volatility in currency exchange rates or interest rates, inflation, deflation, rating, restructuring or default of sovereign debts, or other geopolitical events (such as terrorist acts or armed conflicts, amongst other possibilities). Such events can intervene in a sudden and significant manner; they could affect, temporarily or permanently, conditions in which credit institutions operate and have a significant adverse effect on the financial situation, results and cost of the risk management of the Issuer.

In recent years, capital markets have experienced significant disturbances as a result of concerns over several euro-zone countries' sovereign debt. The high level of debt of some European states resulted in

concerns regarding defaulting states and the euro-zone. At this time, it is impossible to anticipate the eventual outcome of this situation. In this respect, the persistence or further deterioration of the adverse economic and market conditions experienced in the euro-zone could worsen their impact on financial institutions in general and, notably, on the Issuer.

Similarly, if one of these events should lead to a downgrading of France's credit rating and/or the rating of any Member, this would affect the Issuer's funding conditions and increase the cost of loans granted to Members. Consequently, each of the above factors, to the extent that it would affect the French state or the local public authorities, could significantly affect the business of the Issuer, the financial conditions in which it operates, as well as the financial results of its activities.

2. RISKS RELATING TO THE MEMBERS

The Issuer operates for the exclusive benefit of Members, the realisation of risks common to all or some of its Members, such as the risks identified below, could have a negative impact on the operational activity of the Issuer.

2.1 Risks relating to Members' decision-making process

Noteholders are exposed to the risks relating to the legal validity of acts and the irregularity of decisions adopted by Members for example in credit underwriting or granting guarantees, particularly related to the administrative decision-making procedure implemented by one or more Members. Such invalidity or irregularity may be detected and result in the annulment of the relevant decision and/or acts (including the Member Guarantees) by the administrative judge following referral by the *Préfet* or proceedings by a third party against such an act or decision.

2.2 Risks relating to the protection of assets of public entities and non-repayment of Members' debts

As legal bodies governed by public law, Members are not subject to the ordinary methods of enforcement of debts and their assets are exempt from seizure. Consequently, as with all legal bodies governed by public law, the Members are not subject to insolvency proceedings under the French *Code de commerce*.

However, being a mandatory expense, debt servicing must be registered in Members' budgets. If it is not, Article L. 1612-15 of the CGCT provides for the "automatic enrolment" (*Inscription d'office*) procedure whereby, following a consultation (as requested by the *Préfet*, the relevant public accountant, or anyone holding an interest) with the *Chambre régionale des comptes*, the *Préfet* may add the expenditure to the budget of the local authority concerned.

In the absence of enrolling a compulsory expense, Article L. 1612-16 of the French CGCT provides for a procedure called "a mandatory payment order" (*Procédure de mandatement d'office*) that allows the *Préfet* to carry it out in a coercive way.

The compulsory nature of the repayment of funds lent to Members and payments under their Guarantee commitments provides a legal protection for investors.

Registration and assigning compulsory expenditure pursuant to court decisions are governed by Article 1 of Law No. 80-539 dated 16 July 1980, Article L. 911-1 *et seq.* of the French *Code de justice administrative*.

2.3 Risks relating to the resource trends

Members are vulnerable to any changes in their legal and regulatory environment that could affect the structure and volume of their resources.

However, the French Constitution provides in Article 72-2 that “tax revenue and other own resources of local authorities represent, for each category of authorities, a key part of their resources.” Members are therefore protected by the constitutional principle of financial independence.

Members' resource levels are particularly dependent on allocations granted by the state.

But, having been frozen for the period 2012-2017 by the law of 31 December 2012, these resources have been reduced to 1.5 billion euros for fiscal year 2014 by the 2014 Financial Law of 29 December 2013. The Financial Law of 29 December 2014 *programmation des finances publiques pour les années 2014 à 2019*, endorses the reduction in financial support from the State as part of the contribution of local authorities to the recovery effort on public accounts of 3.42 billion for 2015, of 3.66 billion euros in 2016 and of 3.67 billion euros in 2017; the government has decided a decrease in the financial support provided to local authorities totalling 11 billion euros between 2015 and 2017.

In this context, the decline in the level of allocations granted by the State is likely to have a negative effect on the operating revenue of Members, which could affect their ability to repay their loans from the Issuer and, therefore, the ability of the Issuer to meet its own financial obligations. If the decline in these allocations is confirmed or increased or extended to subsequent years, this would affect the cash flow of Members and potentially cause them to limit their borrowing.

Similarly, expenses related to the repayment of loans already subscribed for by Members could hinder their ability to meet their financial obligations.

2.4 Risks relating to the changes to the territorial administrative organization

The Issuer is exposed to the changes to the type and number of local authorities that make up its customer base, as well as consequences that could result from the removal of local authorities or a category of local authorities by the legislator.

Although the incorporation documents of the Issuer have anticipated such developments, there is a possibility that laws and regulations relating to the changes to the territorial administrative organization do not allow, or impede the application of, relevant contractual provisions and therefore create legal uncertainty.

3. RISKS RELATING TO THE GUARANTEE MECHANISM

3.1 Risks relating to Member Guarantees

The amount of each Member Guarantee is capped, at all times, to the total outstanding amount of loans of the Member granting such Member Guarantee *vis-à-vis* the Issuer. In the absence a Member subscribing for new loans, the amount of the relevant Member Guarantee will change in accordance with the amortisation schedule of the loans for which it has subscribed.

The Issuer does not expect to allocate the entire proceeds of the issues made under the programme, or, if applicable, any other borrowing, to grant loans to Members; part of the proceeds is intended to be retained in order to provide the Issuer with the cash required for its business. Indeed, in the business plan, without being an undertaking of the Issuer and pending the start-up of the Issuer's operations, approximately 70% of the amount of the Notes or, if applicable, any other borrowing, issued by the Issuer would be used to extend credit to Members. The remaining 30% would be retained to ensure the liquidity of the Issuer pursuant to its regulatory obligations and best management practices.

Consequently, as the amounts borrowed by the Issuer are intended to be higher than the amounts it lends to Members, no Notes issued under the Programme will benefit from a 100% Guarantee under the Member Guarantees.

Besides, the total amount guaranteed under the Members Guarantees, being at any moment equal to the sum of loans granted by the Issuer to the Members and, to the extent that the Issuer had not started its operational funding activity to Members at the date of the first issuance of the Notes in the context of the Programme, the Notes did not benefit from the Member Guarantee at the first issue date.

3.2 Risks relating to the ST Guarantee

The ST Guarantee is capped at a maximum of 3,500,000,000 Euros and the actual ceiling of the ST Guarantee will be determined on a discretionary basis by the Issuer, notified to ST and will be specified in the Final Terms for each issue of Notes. Under a memorandum of understanding relating to the ST Guarantee published on the Issuer's website, the Issuer has however undertaken to ST, that the actual ceiling of the ST Guarantee will be at least equal to the amount of the aggregate bond issues (in principal, interest and incidentals) carried out by the Issuer as well as to the other commitments of the Issuer benefiting from the ST Guarantee.

ST has neither the cash nor the necessary assets to pay the amounts which it could be liable if all of its commitments under the ST Guarantee should be called. In such a case, it might be called on the Member Guarantees on behalf of Beneficiaries and the Members therefore would replace ST in the payment of amounts due to Beneficiaries within the limits of their respective outstanding debt to the Issuer.

ST could therefore be dependent on the proper execution of their obligations by Members under the Member Guarantees. Moreover, insofar as the amount of Member Guarantees will be less than the total amount borrowed by the Issuer in respect of bond issues made under the program, ST may not be able to pay the full amount which it could be liable for under the ST Guarantee.

3.3 Risks relating to the Guarantees

Under the ST Guarantee and Member Guarantees, other financial commitments than those made by the Issuer under the program could benefit from those Guarantees.

Noteholders could thus face competition from other creditors in the event that the Guarantees are called upon.”

DESCRIPTION OF THE ISSUER

The section “Description of the Issuer” of the Base Prospectus is modified as described below.

1. The paragraph (e) “Recent events specific to the Issuer that may impact its solvency” of paragraph 1.1 “History and Development of the Issuer” in Section 1 entitled “Information about the Issuer” on pages 92 to 93 of the Base Prospectus is deleted in its entirety and replaced as follows:

“Apart from the loans taken out to finance the Agence France Locale Group’s set-up and launch of its operations, the Issuer has carried out all the necessary measures with Moody’s to obtain a credit rating.

On 23 September 2015, the Issuer was assigned a rating of Aa3 by Moody’s France SAS (**Moody’s**), with a stable outlook.

The Programme was assigned a rating of Aa3 by Moody’s on 28 September 2015.

On 2 April 2015, the Issuer proceeded, under the Programme, to its first inaugural bond issue totaling EUR 750 million.”

2. The first two introductory paragraphs of Section 4, entitled “Trend Information” on page 103 of the Base Prospectus are deleted in their entirety and replaced as follows:

“The Issuer has identified certain changes that could impact its business and are set forth below.

The table below sets forth a comparison of the changes in the French local authorities’ indebtedness between 2014 and 2013¹⁸:

	Municipal sector		Departments		Regions		Total	
	Amount in € billion	Change 14/13	Amount in € billion	Change 14/13	Amount in € billion	Change 14/13	Amount in € billion	Change 14/13
Interest rate on the debt	3.0	-0.4%	1.1	+13.3%	0.6	+0.3%	4.7	+2.5%
Debt repayments	7.8	-0.7%	2.9	+1.1%	2.0	-3.2%	12.7	-0.7%
New loans	8.6	-13.3%	3.9	+2.9%	3.7	-18.0%	16.2	-3.9%
Debt as at 31/12*	86.0	+1.3	33.6	+4.2%	21.9	+8.0%	141.5	+3.0%
Debt as at 31/12/ operating revenue		82.1%		50.8%		97.1%		73.2%
Annual debt payments / operating revenue		10.3%		6.0%		11.7%		9.0%

*Debt recorded in the main budgets.

Source: DGFIP

3. In the Section 5 entitled “Revenue and earnings forecasts” on page 106 of the Base Prospectus, the following paragraph is added at the end of the section:

“In view of non-consolidated interim results of the Issuer as at 30 June 2015 and the current state of production loans, forecasts in scenario 1 (Lower provision of loans due to less competitive positioning of the Issuer) and scenario 2 (Contraction in the market for Local Authorities financing and an increase in the Issuer’s refinancing costs) set out in paragraph 5.3, page 109 *et seq.* of the Base Prospectus, in particular those relating to customer loans and receivables in the amount of at least € 450M, are the forecasts the Issuer considers most likely as at 10 November 2015.”

¹⁸ Source: Observatoire des Finances Locales, « Les finances des collectivités locales en 2015 », Juillet 2015, p. 27. »

4. The paragraph 9.3 “Significant change in the financial or trading position” of the section 9 entitled “Financial information concerning the Issuer’s assets, financial position and results” on page 148 of the Base Prospectus is deleted in its entirety and replaced as follows:

“No significant change has occurred in the financial or trading position of either the Issuer or ST since 30 June 2015.”

5. The paragraph 10.1 “Share Capital” of the section 10 entitled “Additional information” is deleted in its entirety and replaced as follows:

“As at 10 November 2015, the Issuer's share capital amounted to €73,000,000, divided into 730,000 shares of a par value of €100.00 each, all of the same class and fully subscribed and paid up.”

DESCRIPTION OF THE GUARANTORS AND THE GUARANTEE MECHANISM

The section “Description of the guarantors and the guarantee mechanism” of the Base Prospectus is modified as described below.

1. The second paragraph of the paragraph (a) “Principle” of the paragraph 1.1 “Member Guarantees” of the section 1 entitled “Description of the guarantee mechanism” on page 158 of the Base Prospectus is deleted in its entirety and replaced as follows:

“From this principle, it therefore ensues that the total guaranteed amount pursuant to the Member Guarantees is at all times equal to the amount of the banking facilities extended by the Issuer to its Members. Following the start of operational activities by the Issuer and the granting of its first loans as of 2 April 2015, the outstanding debt of Members in respect of the Issuer amounts as of 10 November 2015 to 170,467,083.34 euros, and consequently, the amount covered by the Member guarantees also amounts to 170,467,083.34 euros.”

2. Information on Valenciennes Métropole, director of the ST, presented in subparagraph (B) “Board of Directors” of paragraph (c) “Administrative and management boards” of paragraph 4.1 “Description of the direct majority shareholder: ST” of section 4 entitled “Description of ST” and appearing on page 206 of the Base Prospectus are deleted in their entirety and replaced as follows:

<i>First and Last names Date and place of birth</i>	<i>Duties and any special powers Professional address</i>	<i>Date of first appointment and end of term</i>	<i>Terms of office and duties within the Agence France Locale Group</i>	<i>Terms of office and duties outside the Agence France Locale Group</i>
Valenciennes Métropole (Company registration no. 245 901 160) represented by Francis Debacker, born on 26 September 1942	Director 41 quai d'Orsay – 75007 Paris	Appointed under the articles of incorporation Term to expire at the ordinary general shareholders' meeting called to approve the accounts for the financial year ending 31 December 2016	None	None

3. The subparagraph (i) “Share capital” of paragraph (e) “Additional information” of section 4.1 “Description of the direct majority shareholder: ST” in Section 4 entitled “Description of ST” and appearing on page 212 of the Base Prospectus is deleted in its entirety and replaced as follows:

“As at 10 November 2015, the ST’s share capital amounted to €76,000,000, divided into 760,000 shares of a par value of €100.00 each, all of the same class and fully subscribed and paid up.”

4. The paragraph (a) “Shareholder structure” of paragraph 4.2 “Description of ST 's shareholders” of section 4 entitled “Description of ST” on pages 213 to 215 of the Base Prospectus is deleted in its entirety and replaced as follows:

“ST's shareholder base is exclusively comprised of Local Authorities, which have obtained the requisite authorizations from their relevant governance boards and whose financial position makes them eligible to become Members of the Agence France Locale Group.

The number of ST shareholders is expected to increase in lock step with the Agence France Locale Group's expansion to the extent where, in accordance with the provisions Article L. 1611-3-2 of the CGCT, the Issuer may only grant loans to Members who have also become ST shareholders. This increase in the number of shareholders will lead to a correlative drop in each Member's relative weighting in ST's share capital; therefore, no controlling shareholders will exist.

As of the date of this Base Prospectus, ST's share capital is held by 114 Local Authorities, none of which holds more than 10% except for two Members. This is the city of Marseille on the one hand and on the other hand the *Métropole de Lyon*, whose holding should fall below the 10% threshold in the future due to new Members' joining the Agence France Locale Group. These percentages holding is a result of the fact that these two significant Members' ICC is greater than that of the majority of other Members and in 2015 they paid in the second third of their ICC.

As of 10 November 2015, ST's share capital is distributed among the following Local Authority Members:

	ST Shareholders
1.	Commune d'Amiens
2.	Communauté d'agglomération d'Amiens Métropole
3.	Communauté de communes Ardennes rives de Meuse
4.	Commune de Bordeaux
5.	Commune de Bourg Argental
6.	Département de l'Aisne
7.	Département de la Savoie
8.	Département de l'Essonne
9.	Communauté urbaine de Cherbourg
10.	Communauté d'agglomération de Clermont Communauté
11.	Commune de Conches-en-Ouches
12.	Communauté urbaine de Dunkerque Grand Littoral
13.	Métropole de Lyon
14.	Commune de Lons-le-Saunier
15.	Commune de Montreuil
16.	Communauté urbaine du Grand Nancy
17.	Commune de Nantes
18.	Métropole de Nantes

19.	Région Pays de la Loire
20.	Commune de Saint Augustin des Bois
21.	Commune de Saint Jean de Bonnefonds
22.	Métropole de Toulouse
23.	Communauté d'agglomération de Valenciennes Métropole
24.	Commune de Grenoble
25.	Métropole Européenne de Lille
26.	Communauté d'agglomération Plaine Commune
27.	Communauté de communes de Bassin de Pompey
28.	Commune de Brest
29.	Métropole de Brest
30.	Commune de Guéthary
31.	Commune de Plouzané
32.	Commune de Lannion
33.	Communauté d'agglomération du Grand Besançon
34.	Communauté de communes de Pays de Conche
35.	Commune de Pertuis
36.	Communauté urbaine Creusot Montceau
37.	Métropole Rouen Normandie
38.	Commune de Saint-Hilaire-de-Riez
39.	Commune de Saint Nazaire
40.	Commune de Saumur
41.	Commune de Teilhède
42.	Communauté d'agglomération de Grand Poitiers
43.	Commune d'Evreux
44.	Communauté d'agglomération de la Vallée de la Marne
45.	Commune de Marseille
46.	Communauté Urbaine de Marseille Provence Métropole
47.	Commune de Roquefort sur Souzou
48.	Commune de Noyon
49.	Commune de Flourens
50.	Communauté d'agglomération Est Ensemble

51.	Commune de Beaucoz�
52.	Communaut� d'Agglom�ration de Chamb�ry M�tropole
53.	Communaut� d'Agglom�ration du pays de Morlaix
54.	Communaut� d'Agglom�ration de Pau Pyr�n�es
55.	Communaut� d'Agglom�ration Seine Amont
56.	Communaut� d'Agglom�ration du Val de Fensch
57.	Communaut� de Communes du Pays Mornantais
58.	Communaut� de Communes du secteur d'Illfurth
59.	Communaut� de Communes Amfreville la Campagne
60.	Commune de Balaruc les Bains
61.	Commune de Bourgoin Jallieu
62.	Commune de Dom�rat
63.	Commune de La Motte Servolex
64.	Commune du Bouscat
65.	Commune de M�con
66.	Commune de Nogent sur Marne
67.	Commune de Pollestres
68.	Commune de Saint Av�
69.	Commune de Saint Brice
70.	Commune de Saint Denis
71.	Commune de Saint Saulve
72.	Commune de Vend�me
73.	Commune de Vincennes
74.	Commune de Wittenheim
75.	Commune d'Huningue
76.	Commune d'Usson en Forez
77.	D�partement de l'Ari�ge
78.	Commune de Pau
79.	Communaut� d'Agglom�ration du Grand P�rigueux
80.	Communaut� d'Agglom�ration Thau Agglo
81.	Communaut� de Communes des coteaux du Girou
82.	Communaut� de Communes du Pays Noyonnais

83.	Communauté de Communes de la Vallée du Garon
84.	Communauté de Communes Vic Montaner
85.	Métropole de Strasbourg
86.	Métropole de Bordeaux
87.	Commune de Clermont Ferrand
88.	Commune de Vernon
89.	Commune de Villeurbanne
90.	Commune de Vitrac
91.	Commune du Thuit-Anger
92.	Commune d'Attiches
93.	Communauté de communes du Pays de l'Huisne Sarthoise
94.	Communauté de communes du Pont du Gard
95.	Communauté de communes du Rhône aux gorges de l'Ardèche
96.	Communauté de communes Pévèle Carembault
97.	Commune de Créteil
98.	Commune de Croix
99.	Commune de Cysoing
100.	Commune de Gonesse
101.	Commune de La Mulatière
102.	Commune de Roquesérière
103.	Commune de Pujo
104.	Commune d'Alençon
105.	Commune d'Aulnoy-lez-Valenciennes
106.	Communauté urbaine d'Alençon
107.	Communauté d'agglomération de Blois Agglopolys
108.	Communauté de communes des Rives de l'Ain
109.	Département de la Meuse
110.	Commune d'Oloron-Sainte-Marie
111.	Commune de Pont d'Ain
112.	Commune de Saint-Martin-de-Seignaux
113.	Commune de Saint-Pierre-des-Fleurs
114.	Commune de Saulzoir

The contractual framework applicable to ST guarantee a stability in the shareholder base in spite of the fact that there are numerous shareholders.

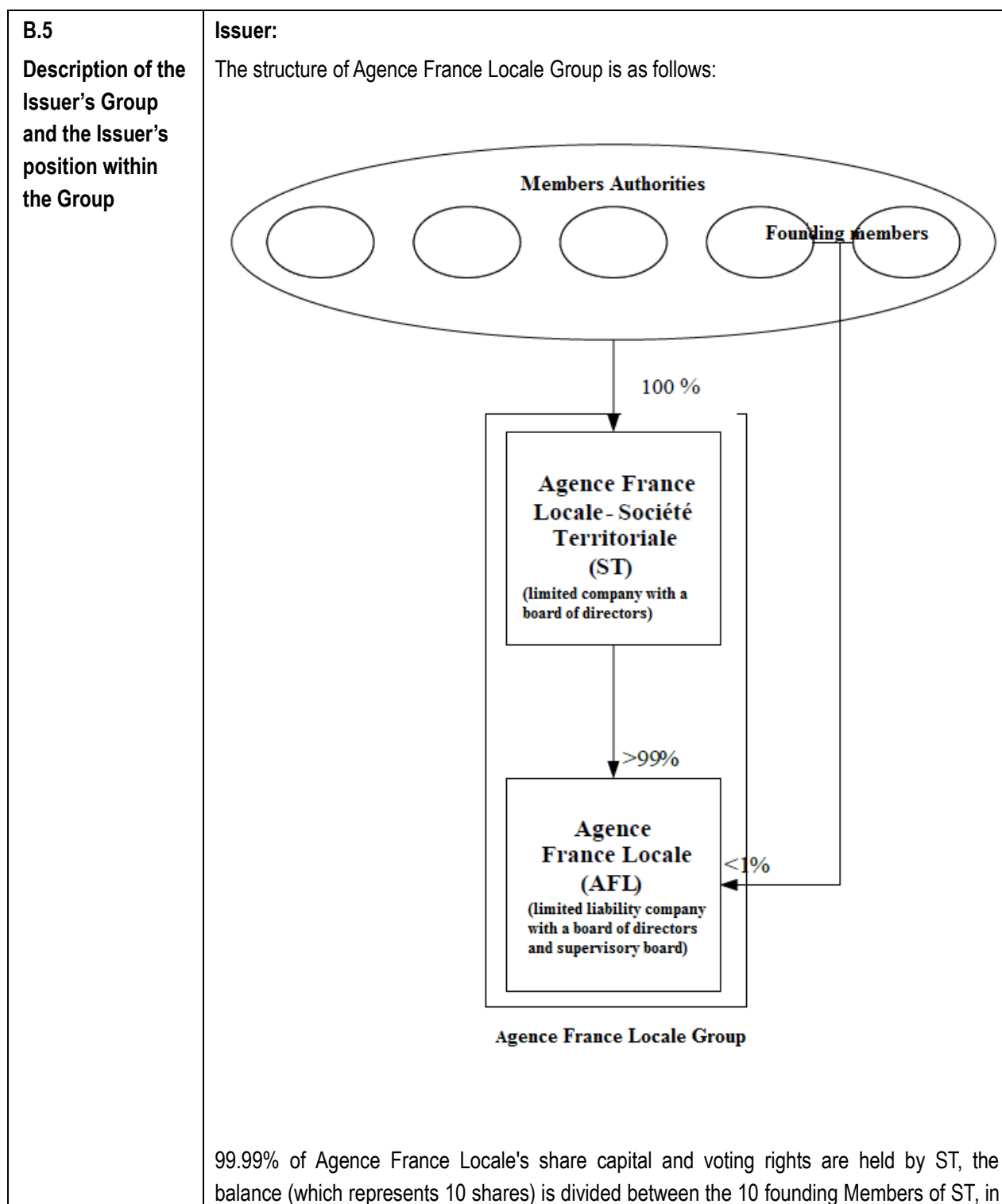
The updated list of ST's shareholders is available on the Issuer's website: <http://www.agence-france-locale.fr>. The information contained on this web page is updated for each capital increase within thirty days of the closing of the subscription period.”

FORM OF FINAL TERMS

The section “Form of final terms” of the Base Prospectus is modified as described below.

- Annex 1 “Summary of the issue” appearing on pages 292 to 313 of the Base Prospectus is modified as follows:

The subsection B.5 of the summary entitled “Description of the Issuer’s Group and the Issuer’s position within the Group” on pages 293 to 294 of the Base Prospectus is deleted in its entirety and replaced as follows:



	<p>order to comply with the requirements of Article L. 225-1 of the French <i>Code de commerce</i>, which stipulates that the number of shareholders of a <i>Société Anonyme</i> cannot be less than seven. The first members of the Board of Directors of ST are representatives of ST.</p> <p>The shareholders of ST are exclusively local authorities who have obtained the necessary internal authorisations and whose financial situation allows them to be Members of the Agence France Locale Group.</p> <p>To the extent that, in accordance with the provisions of Article L. 1611-3-2 of the French <i>Code des collectivités territoriales</i> (the CGCT), the right to be granted credits by the Issuer is subject to the quality of Membership, the number of shareholders of ST is intended to increase with the development of the Agence France Locale Group.</p> <p>The operational rules of the Agence France Locale Group were designed in order to ensure continuity of its share ownership. The Members are, under the terms of the Shareholders' Agreement, in particular obliged to retain their shareholdings until the tenth anniversary of the payment of their ICC and transfers of shares are subject to approval from the Board of Directors of ST.</p> <p>This increase in the number of shareholders will result in a corresponding reduction in the respective weight of each Member in the share capital of ST and the control of ST by any one of its shareholders.</p> <p>As at 10 November 2015, the share capital of ST is held by 114 local authorities and none of whom hold more than 10% of the share capital, with the exception of two Members. This is the city of Marseille on the one hand and on the other hand the <i>Métropole de Lyon</i>, whose respective interests should eventually go under the threshold of 10 % through future accessions of new Members to the Agence France Local Group.</p>
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The subsection B.9 of the summary entitled "Profit forecast or estimate" on pages 294 to 295 of the Base Prospectus is deleted in its entirety and replaced as follows:

<p>B.9 Profit forecast or estimate</p>	<p>Issuer:</p> <p>Given the non-consolidated interim results of the Issuer as at 30 June 2015 and the current state of production credits, the forecasts presented below in scenario 1 (Lower provision of loans due to less competitive positioning of the Issuer) and scenario 2 (Contraction in the market for Local Authorities financing and an increase in the Issuer's refinancing costs), including those relating to loans and receivables to customers in the amount of at least € 450M, are the forecasts the Issuer considers most likely as at 10 November 2015.</p> <p>To measure the sensitivity of the business plan of the Issuer key assumptions supporting the initial objectives of the Issuer, the latter has established the following variants of the original baseline scenario:</p> <p>1. Lower provision of loans due to less competitive positioning of the Issuer</p> <p>The assumption used in this scenario is that the volume of the loans produced by the Issuer decreases, without a credit margin increase, due to a less competitive business position,</p>
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assuming that all other factors remain the same, in particular the refinancing rate.

(i) 2015-2016 Balance sheet items (€ million)

	2015	2016
Customer loans and receivables	453	1.068
Other ⁷	623	529
Total assets	1.076	1.597
Debts represented by a security	1.000	1.450
Other	4	2
Total liabilities	1.004	1.452
Equity	72	145
Total liabilities and equity	1.076	1.597

(ii) Items included in 2015-2016 income (in € million)

	2015	2016
Net banking income	2.2	8.1
Gross operating profit	-9.6	-2.0

2. Contraction in the market for Local Authorities financing and an increase in the Issuer's refinancing costs

The assumptions used in this scenario are as follows:

- Contraction of the market to €10 billion from 2015; and
- 40 bp increase in refinancing cost;

assuming all other factors in the main scenario and sensitivity analysis (a) set out above remain the same, in particular the commercial margin applied to loans offered to Members and the rate of liquidity remuneration.

(i) 2015-2016 Balance sheet items (€ million)

	2015	2016
Customer loans and receivables	453	1,068
Other ⁸	620	525
Total assets	1.073	1.593
Debts represented by a security	1.000	1.450

7 This line corresponds to a portion of the proceeds from the debt issued by the issuer that will fund its liquidity reserve to meet prudential requirements.

8 This line corresponds to a portion of the proceeds from the debt issued by the issuer that will fund its liquidity reserve to meet prudential requirements.

	Others	4	3
	Total liabilities	1.004	1.453
	Equity	69	140
	Total liabilities and equity	1.073	1.593
(ii) Items included in 2015-2016 income (in € million)			
		2015	2016
	Net banking income	-0.8	6.1
	Gross operating profit	-12.6	-4.1

The subsection B.10 of the summary entitled “Qualifications in the auditors’ report” on page 295 of the Base Prospectus is deleted in its entirety and replaced as follows:

B.10 Qualifications in the auditors’ report	<p>Issuer:</p> <p>The Auditors’ report on the Issuer’s financial statement for the year ended 31 December 2014 contains no qualifications.</p> <p>The Auditors’ report on the Issuer’s half year non-consolidated condensed financial statements for the period ended 30 June 2015 contains no qualifications.</p>
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The subsection B.12 of the summary entitled “Selected historical key financial information” on pages 295 to 296 of the Base Prospectus is deleted in its entirety and replaced as follows:

B.12 Selected historical key financial information	<p>Issuer:</p> <p>The Issuer was established on 17 December 2013. It therefore cannot provide historical financial information for the previous two years.</p> <p>The information set out below is based on the Issuer’s restated IFRS financial statements. However, only the Issuer’s financial statements prepared in accordance with French standards have legal value. These are set out in the Annex to this Base Prospectus, together with the related Auditors’ report.</p> <p>- Consolidated balance sheet on 31 December 2014 and on 30 June 2015 (in thousands of Euros):</p>						
	<table border="1"> <thead> <tr> <th></th> <th>31 December 2014</th> <th>30 June 2015</th> </tr> </thead> <tbody> <tr> <td>Customer loans and receivables⁹</td> <td style="text-align: center;">0</td> <td style="text-align: center;">97,123</td> </tr> </tbody> </table>		31 December 2014	30 June 2015	Customer loans and receivables ⁹	0	97,123
	31 December 2014	30 June 2015					
Customer loans and receivables ⁹	0	97,123					

⁹ In the year ended 31 December 2014 this aggregated data was not present in the Issuer’s IFRS accounts as certified by the auditors as it was equal to 0 during the first reporting period, due to the fact the Issuer’s lending activity had not begun. It will be included in the next accounts of the Issuer.

Hedging derivatives instruments		3,399
Available-for-sale financial assets		595,595
Held-to-maturity financial assets	30,755	53,866
Others ³	15,520	61,064
Total Assets	46,275	811,047
Hedging derivatives instruments		22,127
Debts – represented by a security ¹⁰	0	728,891
Others	16,960	2,361
<i>Including commitments to supply</i>	0	0
Total Liabilities	16,960	753,379
Equity	29,316	57,668
Total Liabilities and Equity	46,275	811,047

- Components of profit elements on 31 December 2014 and on 30 June 2015 (in thousands of euros):

	17 December 2013 – 31 December 2014	1st January 2015 – 30 June 2015
Net banking income	311	-677
Gross operating profit	-9,726	-7,154
Net Income	-6,484	-4,770

The negative net income for the year ended 31 December 2014 is mainly due to the fact that the Issuer (i) had to endure important general operating expenses for the implementation of the means needed to start its activity and (ii) having obtained its approval as a specialised credit institution on 22 December 2014, has not been able to start its lending activity during this exercise.

The negative net income for the half year financial statements ended 30 June 2015, is rooted in two factors: firstly the lack of start credit portfolio of the Issuer's activities at the beginning of the 2nd quarter 2015 and secondly the impact of the temporary storage of the resulting liquidity of the inaugural bond issue on very short-term instruments with a negative rate of remuneration.

Given the non-consolidated interim results of the Issuer as at 30 June 2015 and the current state of production credits, the forecasts presented below in scenario 1 (Lower provision of loans due to less competitive positioning of the Issuer) and scenario 2 (Contraction in the market for Local Authorities financing and an increase in the Issuer's refinancing costs), in paragraph B.9 above, in particular those relating to loans and receivables to customers for

10 In the year ended 31 December 2014 this aggregated data was not present in the Issuer's IFRS accounts as certified by the auditors as it was equal to 0 during the first reporting period, due to the fact the Issuer's lending activity had not begun. It will be included in the next accounts of the Issuer.

	an amount of at least € 450M, are the forecasts the Issuer considers most likely as at 10 November 2015.
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The subsection B.17 of the summary entitled “Credit ratings assigned to the Issuer or its debt securities” on pages 296 to 297 of the Base Prospectus is deleted in its entirety and replaced as follows:

<p>B.17 Credit ratings assigned to the Issuer or its debt securities</p>	<p>[The Securities have not been rated.]</p> <p>[The Securities have been rated [●] by [●].</p> <p>The Issuer has been assigned a long-term rating of Aa3, stable outlook by Moody's France SAS.</p> <p>The Programme was assigned a rating of Aa3 by Moody's on 28 September 2015.</p> <p>At the date of this Base Prospectus, Moody's is a rating agency established in the European Union and registered in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and Council of 16 September 2009 relating to credit rating agencies as amended (the CRA Regulation) and is included on the list of credit rating agencies published on the European Financial Markets Authority website (www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation.</p> <p>A rating is not a recommendation to buy, sell or hold Notes and may be suspended, amended or withdrawn at any time by the relevant rating agency.]</p>
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The subsection B.5/B.10 of the summary entitled “Qualifications in the auditors’ report” on pages 298 to 299 of the Base Prospectus is deleted in its entirety and replaced as follows:

<p>B.5/B.10 Qualifications in the auditors’ report</p>	<p>ST:</p> <p>The Auditors’ report on ST’s accounts for the year ended 31 December 2014 contains no qualifications.</p> <p>The Auditors’ report on the Issuer’s half year consolidated condensed financial statements for the period ended 30 June 2015 contains no qualifications.</p>
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The subsection B.19/B.12 of the summary entitled “Selected historical key financial information” on page 299 of the Base Prospectus is deleted in its entirety and replaced as follows:

B.19/B.12
Selected
historical key
financial
information

ST:

As ST was established on 3 December 2013, it cannot provide historical financial information covering two financial years.

The figures in the tables below are taken from the IFRS consolidated financial statements of the ST.

- Consolidated balance sheet on 31 December 2014 and on 30 June 2015 (in thousands of Euros):

	31 December 2014	30 June 2015
Customer loans and receivables ⁶¹	0	97,123
Hedging derivatives instruments		3,399
Available-for-sale financial assets		595,595
Held-to-maturity financial assets	31,873	56,259
Others ⁶²	15,842	61,371
Total Assets	47,715	813,747
Hedging derivatives instruments		22,127
Debts – represented by a security ⁶²	0	728,891
Others	17,031	2,313
<i>Including commitments to supply</i>	0	0
Total Liabilities	17,031	753,331
Equity	30,684	60,416
Total Liabilities and Equity	47,715	813,747

- Components of profit elements on 31 December 2014 and on 30 June 2015 (in thousands of euros):

	17 December 2013 – 31 December 2014	1st January 2015 – 30 June 2015
Net banking income	325	-664
Gross operating profit	-9,904	-7,116
Net Income	-6,603	-4,744

The subsection B.19/B.13 of the summary entitled “Recent events relating to the Guarantor of significant interest for the assessment of creditworthiness” on page 299 of the Base Prospectus is deleted in its entirety and replaced as follows:

<p>B.19/B.13</p> <p>Recent events relating to the Guarantor of significant interest for the assessment of creditworthiness</p>	<p>ST:</p> <p>At the date of this Base Prospectus, there has been no material change in the financial or commercial situation of ST since 30 June 2015 and there has been no material adverse change in the prospects of ST since 31 December 2014.</p>
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The second paragraph of the subsection B.19/B.47 of the summary entitled “Description of Members subscribing a loan with the Issuer” appearing on pages 300 to 303 of the Base Prospectus is deleted in its entirety and replaced as follows:

<p>B.19/B.47</p> <p>Description of Members subscribing a loan with the Issuer</p>	<p>As at 10 November 2015, the total amount of the guarantees provided by Members amounted to 170,467,083.34 euros.</p>
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APPENDIX TO THE BASE PROSPECTUS

The section “Appendix to the Base Prospectus” of the Base Prospectus is modified as described below.

1. The title of paragraph (a) “Issuer’s financial information in accordance with French accounting standards” on page 315 of the Base Prospectus is renumbered as:
“(a) Issuer’s financial information in accordance with French accounting standards as at 31 December 2014.”

GENERAL INFORMATION

The section “General information” of the Base Prospectus is modified as described below.

1. On page 331 of the Base Prospectus, the paragraph (3) is deleted in its entirety and replaced as follows:

“(3) Since 30 June 2015, no significant changes have occurred in the financial situation or commercial position of the Issuer or of ST.”

2. On page 331 of the Base Prospectus, the paragraph (6) is deleted in its entirety and replaced as follows:

“(6) This Base Prospectus and any supplement (if required) will be published on the websites of (a) the AMF (www.amf-france.org), (b) the Issuer (www.agence-france-locale.fr) and (c) any other relevant regulatory authority and shall be available for inspection and obtaining copies, free of charge, during normal office hours, on any weekday (except Saturdays, Sundays and public holidays) at the offices of the Fiscal Agent or the Paying Agents. Documents incorporated by reference in any supplement to this Base Prospectus will be published on the website of the Issuer (www.agence-france-locale.fr). So long as any Notes are admitted to trading on a regulated market in the EEA or offered to the public in a member State other than France, in each case in accordance with the Prospectus Directive, the relevant Final Terms shall be published on the websites of (i) the AMF (www.amf-france.org) and (ii) the Issuer (www.agence-france-locale.fr).”

3. On page 332 of the Base Prospectus, the paragraph (12) is deleted in its entirety and replaced as follows:

“(12) KPMG Audit FS I (Immeuble Le Palatin, 3 cours du Triangle, 92939 Paris La Défense Cedex) and Cailliau Dedouit et Associés (19, rue Clément Marot, 75008 Paris) are the auditors of the Issuer and ST for the year ended 31 December 2014 and for the interim financial statements ended 30 June 2015. KPMG Audit FS I is a member of the *Compagnie régionale des commissaires aux Comptes de Paris*. KPMG Audit FS I and Cailliau Dedouit et Associés have reviewed the financial statements of the Issuer and of ST for the financial year end 31 December 2014 and their related audit reports do not contain any reservations. KPMG Audit FS I and Cailliau Dedouit et Associés have reviewed the interim financial statements ended 30 June 2015 of the Issuer and of ST and their related audit reports do not contain any reservations.”

RESPONSIBILITY FOR THIS SUPPLEMENT TO THE BASE PROSPECTUS

Person assuming responsibility of this Supplement to the Base Prospectus

On behalf of the Issuer

After taking all reasonable measures for this purpose, I certify that the information contained or incorporated by reference in this Supplement, to my knowledge, in accordance with the facts and contains no omission likely to affect its import.

Paris, 12 November 2015

Agence France Locale

Tour Oxygène, 10-12 boulevard Vivier Merle
69003 Lyon
France

Duly represented by:

Yves Millardet, President of the Executive Board of the Company



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* (the **AMF**), in particular Articles 212-31 to 212-33, the AMF has granted to this First Supplement the visa n°15-582 on 12 November 2015. This document 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 an approval by the AMF of the opportunity of the transactions contemplated hereby nor that the AMF has verified the accounting and financial data set out in it. In accordance with Article 212-32 of the AMF's General Regulations, any issuance or admission to trading of notes on the basis of the Base Prospectus as supplemented shall be subject to the publication of Final Terms setting out the terms of the securities being issued.