

## F. van Lanschot Bankiers N.V.

(incorporated in the Netherlands with its statutory seat in 's-Hertogenbosch)

### EUR 5,000,000,000 Debt Issuance Programme

Under the EUR 5,000,000,000 Debt Issuance Programme described in this Base Prospectus (the "**Programme**"), F. van Lanschot Bankiers N.V. (the "**Issuer**", or the "**Bank**") may from time to time issue notes denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below) (the "**Notes**", which expression shall include Senior Notes and Subordinated Notes (each as defined in the Terms and Conditions)). Subordinated Notes will have a minimum denomination of at least EUR 100,000 (or its equivalent in any other currency). The maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed EUR 5,000,000,000 (or its equivalent in any other currency calculated as described herein).

The Notes may be issued on a continuing basis through intermediation of one or more of the Dealers specified below and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**"). The Dealer or Dealers with whom the Issuer agrees or proposes to agree on the issue of any Notes is or are referred to as the "**relevant Dealer**" in respect of those Notes.

As of the date of this Base Prospectus, each of Fitch Ratings Ltd. ("**Fitch**") and Standard & Poor's Credit Market Services Europe Limited ("**S&P**") is established in the European Union and is registered under Regulation (EC) No 1060/2009 of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**"). The rating of a certain Series or Tranches of Notes may be specified in the applicable Final Terms. Whether a credit rating applied for in relation to a relevant Series or Tranche of Notes will be issued by a credit rating agency established in the European Union and registered or certified under the CRA Regulation or by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation will be disclosed clearly and prominently in the applicable Final Terms. Where a tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Notes already issued. None of such ratings is a recommendation to buy, sell or hold securities and any of them may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without prior notice. The Programme has been rated BBB+ (in respect of Notes with a maturity of more than one year) and A-2 (in respect of Notes with a maturity of one year or less) by S&P and has been rated F2 (in respect of short-term senior unsecured Notes) and A- (in respect of senior unsecured medium-term Notes) by Fitch. Relevant rating information in respect of the Issuer and the Notes is stated in the chapters '*F. van Lanschot Bankiers N.V. - Risk Policy and Credit Ratings*' and '*General Information*'. Where a Tranche or Series of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme.

This Base Prospectus has been approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the "**AFM**"), which is the Netherlands competent authority for the purpose of Directive 2003/71/EC as amended (including by Directive 2010/73/EU) and includes any relevant implementing measures in the relevant Member State (the "**Prospectus Directive**"), as a Base Prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the Netherlands for the purpose of giving information with regard to the issue of Notes during the period of twelve months after the date hereof.

The AFM has been requested to provide the Belgium *Financial Services and Markets Authority* (the "**FSMA**") and may be requested to provide the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**") with a certificate of approval (a "**Notification**") attesting that the Base Prospectus has been drawn up in accordance with Regulation 809/2004/EC (the "**Prospectus Regulation**"), which term includes any amendments thereto). The AFM shall notify the European Securities and Markets Authority ("**ESMA**") of the approval of this Base Prospectus and any supplement hereto at the same time as such approval is notified to the Issuer. In addition, the AFM shall provide ESMA with a copy of this Base Prospectus and any supplement hereto.

Application may be made for Notes to be admitted to trading on Euronext in Amsterdam ("**Euronext in Amsterdam**"), the regulated market of Euronext Amsterdam N.V. ("**Euronext Amsterdam**") and, after a Notification has been provided to the CSSF, the regulated market of the Luxembourg Stock Exchange (the "**Luxembourg Stock Exchange**"). The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and the Notes are subject to U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States or to U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

**This Base Prospectus is dated 17 April 2015.**

**An investment in the Notes involves certain risks.  
Prospective investors should have regard to the risk factors described under the section 'Risk Factors' in this  
Base Prospectus.**

**This Base Prospectus will be published in electronic form on the website of the AFM and on the website of  
the Issuer at <https://corporate.vanlanschot.nl/en/financial/debt-investors/debt-issuance-programme>. This  
Base Prospectus is issued in replacement of the prospectus of the Issuer dated 17 April 2014.**

*Arranger*

**RABOBANK**

*Dealers*

**ABN AMRO  
BNP PARIBAS  
Credit Suisse**

**F. van Lanschot Bankiers N.V.  
ING  
J.P. Morgan**

**Kempen & Co N.V.  
Landesbank Baden-Württemberg  
Rabobank**

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## SUMMARY

Summaries are made up of disclosure requirements known as "**Elements**". These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for the Notes and the Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in a summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the Summary with the mention of "Not Applicable".

| <b>Section A – Introduction and Warnings</b> |  |   |
|--|--|---|
| <b>A.1</b>                                   | <b>Introduction and warnings:</b>              | <p>This summary should be read as an introduction to the Base Prospectus. Any decision to invest in the Notes by the investor should be based on consideration of the Base Prospectus as a whole including any documents incorporated into the Base Prospectus by reference. Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</p>  |
| <b>A.2</b>                                   | <b>Consent to use of this Base Prospectus:</b> | <p>Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a Public Offer.</p> <p><i>Issue specific summary:</i><br/>                     [Not Applicable. No Public Offer of the Notes will be made.] [Not Applicable. The Notes are issued in denominations of at least €100,000 (or its equivalent in any other currency).]</p> <p>[<i>Consent:</i> Subject to the conditions set out below, the Issuer consents to the use of the Base Prospectus in connection with a Public Offer of Notes in a Public Offer Jurisdiction by the Dealer[s][.][and] [<i>names of specific financial intermediaries listed in final terms</i>] [and] [each financial intermediary whose name is published on the Issuer's website (<a href="https://corporate.vanlanschot.nl/en/financial/debt-investors/debt-issuance-programme">https://corporate.vanlanschot.nl/en/financial/debt-investors/debt-issuance-programme</a>) and identified as an Authorised Offeror (as defined below) in respect of the relevant Public Offer] [and any financial intermediary which is authorised to make such offers under the applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC)] and publishes on its website the following statement (with the information in square brackets completed with the relevant information):</p> <p><i>"We [insert legal name of financial intermediary], refer to the [insert title of relevant Public Offer Notes] (the "Notes") described in the Final Terms dated [insert date] (the "Final Terms") published by F. van Lanschot Bankiers N.V. (the "Issuer"). We hereby accept the offer by the Issuer of its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [Belgium][.][Luxembourg] [and][ the Netherlands] (the "Public Offer") in accordance with and subject to the conditions to such consent, each as specified in the Base Prospectus, and we are using the Base Prospectus accordingly. "</i></p> <p>In connection with this Public Offer, the Issuer accepts responsibility for the</p> |

|                               |   |   |
|-------------------------------|---|---|
|                               |   | <p>content of the Base Prospectus in relation to any investor to whom an offer of any Notes in this Public Offer is made by any financial intermediary to whom the Issuer has given its consent to use the Base Prospectus (an "<b>Authorised Offeror</b>"), provided that such Public Offer has been made in accordance with all the conditions as described under '<i>Consent</i>' above and '<i>Conditions to consent</i>' below.</p> <p><i>Offer period:</i> The Issuer's consent referred to above is given for Public Offers of Notes during [<i>offer period for the issue to be specified here</i>] (the "<b>Offer Period</b>").</p> <p><i>Conditions to consent:</i> The conditions to the Issuer's consent [(in addition to the conditions referred to above)] are such that such consent (a) is only valid in respect of the relevant Tranche of Notes; (b) is only valid during the Offer Period; [and] (c) only extends to the use of the Base Prospectus to make Public Offers of the relevant Tranche of Notes in [Belgium][.] [Luxembourg] [and] [the Netherlands] [and (d) [<i>specify any other conditions applicable to the Public Offer of the particular Tranche, as set out in the Final Terms</i>]].</p> <p><b>AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY PUBLIC OFFER NOTES IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR OTHER THAN THE ISSUER WILL DO SO, AND OFFERS AND SALES OF SUCH PUBLIC OFFER NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE PUBLIC OFFER NOTES CONCERNED AND, ACCORDINGLY, THE BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK AT THE RELEVANT AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION. NEITHER THE ISSUER NOR ANY DEALER (EXCEPT WHERE SUCH DEALER IS THE RELEVANT AUTHORISED OFFEROR) HAS ANY RESPONSIBILITY OF LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.</b></p> |
| <b>Section B – The Issuer</b> |   |   |
| <b>B.1</b>                    | <b>The legal and commercial name of the Issuer:</b>   | The legal name of the Issuer is F. van Lanschot Bankiers N.V. The Issuer trades under the name Van Lanschot Bankiers.   |
| <b>B.2</b>                    | <b>The domicile and legal form of the Issuer, the legislation under which the Issuer operates and its country of incorporation:</b> | The Issuer is a public company with limited liability ( <i>naamloze vennootschap</i> ) incorporated under Dutch law, having its statutory seat at 's-Hertogenbosch, the Netherlands. The Issuer is registered in the Chamber of Commerce under file number 16038212.  |
| <b>B.4b</b>                   | <b>A description of any known trends affecting the Issuer and the industries in which it</b>  | The results of Van Lanschot N.V., also indirectly through its subsidiaries (including the Issuer and Kempen & Co N.V. (" <b>Kempen &amp; Co</b> ") (see Element B.5 below) are affected by general economic and other business conditions, including regulatory conditions. These conditions include changing economic cycles that affect demand for investment and banking products, fluctuations in interest rates, monetary policy, consumer and business spending and demographics. Such cycles   |

|                                  | <b>operates:</b>   | <p>are also influenced by global political events, such as terrorist acts, war and other hostilities as well as by market specific events, such as shifts in consumer confidence, industrial output, labour or social unrest and political uncertainty. The Issuer operates almost entirely in the Netherlands and, to a lesser extent, in Belgium and its success is therefore closely tied to general economic conditions in those markets, which, in turn, are part of the European economy.</p> <p>The overall decrease in investor confidence due to the financial crisis and economic downturn has resulted in, and may continue to result in, clients switching to more conservative, lower margin products and services as well as a decline in the volume of transactions that the Issuer executes for its clients and hence may lead to reduced commission income and to a decrease in profit.</p> <p>Weakness in the European economies, in particular, the Dutch and/or Belgian economies, has had and, if such economic weakness generally or in particular in the Netherlands and/or Belgium, persists, may continue to have a direct negative impact on the demand for products and services of the Issuer. The weakness of these economies could materially adversely affect the investment behaviour of the Issuer's core client group, i.e. high-net-worth individuals. As a result, the Issuer, similar to other financial institutions, could be confronted with net outflows of assets under management or deposits, and could experience difficulties attracting new clients or deposits and retaining existing clients, resulting in a material adverse impact on the Issuer's business, financial condition, results of operations and prospects.</p> |            |            |            |            |            |                            |  |  |  |  |                                  |       |       |       |       |                    |       |       |       |       |             |      |      |       |      |                             |       |      |      |      |            |       |      |      |      |                      |      |      |      |      |
|----------------------------------|--|---|------------|------------|------------|------------|------------|----------------------------|--|--|--|--|----------------------------------|-------|-------|-------|-------|--------------------|-------|-------|-------|-------|-------------|------|------|-------|------|-----------------------------|-------|------|------|------|------------|-------|------|------|------|----------------------|------|------|------|------|
| <b>B.5</b>                       | <b>Description of the Issuer's group and the Issuer's position within the group:</b> | <p>The authorised share capital of the Issuer consists of 400,000 shares of €100 each. All shares are nominative shares. Share certificates have not been issued. All 400,000 shares of the Issuer are held by Van Lanschot N.V. and have been fully paid up. Van Lanschot N.V.'s only asset, besides a small amount of liquidities placed with the Bank or intragroup debts, is 100 per cent. of the shares of the Bank. There are no other activities within Van Lanschot N.V. other than the 100 per cent. holding and aforementioned liquidities/debts. There is no intention to change this situation. In addition, it does not sell products and/or provide services of any kind. Van Lanschot N.V. only operates under Dutch law.</p> <p>The Issuer's subsidiary Kempen &amp; Co, which has been a subsidiary of the Bank since 2007, is active in the areas of asset management and merchant banking. Kempen &amp; Co offers specialist financial services to institutional investors, companies, financial institutions, government agencies and government-controlled bodies, foundations and associations and wealthy individuals.</p>   |            |            |            |            |            |                            |  |  |  |  |                                  |       |       |       |       |                    |       |       |       |       |             |      |      |       |      |                             |       |      |      |      |            |       |      |      |      |                      |      |      |      |      |
| <b>B.9</b>                       | <b>Profit forecast or estimate:</b>  | Not applicable. Neither the Issuer nor Van Lanschot N.V. has made any public profit forecasts or profit estimates.  |            |            |            |            |            |                            |  |  |  |  |                                  |       |       |       |       |                    |       |       |       |       |             |      |      |       |      |                             |       |      |      |      |            |       |      |      |      |                      |      |      |      |      |
| <b>B.10</b>                      | <b>Qualifications in the Auditors' report:</b>                                       | Not applicable. The independent auditor's reports with respect to the Van Lanschot N.V.'s audited financial statements as of and for the financial years ended 31 December 2014 and 31 December 2013 incorporated by reference in this Base Prospectus are unqualified.   |            |            |            |            |            |                            |  |  |  |  |                                  |       |       |       |       |                    |       |       |       |       |             |      |      |       |      |                             |       |      |      |      |            |       |      |      |      |                      |      |      |      |      |
| <b>B.12</b>                      | <b>Selected Financial Information Material/Significant Change:</b>                   | <p>(x € million)</p> <table border="1"> <thead> <tr> <th></th> <th>31/12/2014</th> <th>30/06/2014</th> <th>31/12/2013</th> <th>30/06/2013</th> </tr> </thead> <tbody> <tr> <td><b>Statement of income</b></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Income from operating activities</td> <td>566.2</td> <td>305.0</td> <td>551.2</td> <td>292.7</td> </tr> <tr> <td>Operating expenses</td> <td>337.1</td> <td>210.3</td> <td>408.6</td> <td>204.8</td> </tr> <tr> <td>Impairments</td> <td>95.5</td> <td>40.2</td> <td>105.1</td> <td>46.5</td> </tr> <tr> <td>Operating result before tax</td> <td>133.5</td> <td>54.6</td> <td>37.4</td> <td>41.4</td> </tr> <tr> <td>Net result</td> <td>108.7</td> <td>49.4</td> <td>33.5</td> <td>36.4</td> </tr> <tr> <td>Efficiency ratio (%)</td> <td>59.5</td> <td>68.9</td> <td>74.1</td> <td>70.0</td> </tr> </tbody> </table>   |            | 31/12/2014 | 30/06/2014 | 31/12/2013 | 30/06/2013 | <b>Statement of income</b> |  |  |  |  | Income from operating activities | 566.2 | 305.0 | 551.2 | 292.7 | Operating expenses | 337.1 | 210.3 | 408.6 | 204.8 | Impairments | 95.5 | 40.2 | 105.1 | 46.5 | Operating result before tax | 133.5 | 54.6 | 37.4 | 41.4 | Net result | 108.7 | 49.4 | 33.5 | 36.4 | Efficiency ratio (%) | 59.5 | 68.9 | 74.1 | 70.0 |
|                                  | 31/12/2014   | 30/06/2014  | 31/12/2013 | 30/06/2013 |            |            |            |                            |  |  |  |  |                                  |       |       |       |       |                    |       |       |       |       |             |      |      |       |      |                             |       |      |      |      |            |       |      |      |      |                      |      |      |      |      |
| <b>Statement of income</b>       |  |   |            |            |            |            |            |                            |  |  |  |  |                                  |       |       |       |       |                    |       |       |       |       |             |      |      |       |      |                             |       |      |      |      |            |       |      |      |      |                      |      |      |      |      |
| Income from operating activities | 566.2  | 305.0   | 551.2      | 292.7      |            |            |            |                            |  |  |  |  |                                  |       |       |       |       |                    |       |       |       |       |             |      |      |       |      |                             |       |      |      |      |            |       |      |      |      |                      |      |      |      |      |
| Operating expenses               | 337.1  | 210.3   | 408.6      | 204.8      |            |            |            |                            |  |  |  |  |                                  |       |       |       |       |                    |       |       |       |       |             |      |      |       |      |                             |       |      |      |      |            |       |      |      |      |                      |      |      |      |      |
| Impairments                      | 95.5   | 40.2  | 105.1      | 46.5       |            |            |            |                            |  |  |  |  |                                  |       |       |       |       |                    |       |       |       |       |             |      |      |       |      |                             |       |      |      |      |            |       |      |      |      |                      |      |      |      |      |
| Operating result before tax      | 133.5  | 54.6  | 37.4       | 41.4       |            |            |            |                            |  |  |  |  |                                  |       |       |       |       |                    |       |       |       |       |             |      |      |       |      |                             |       |      |      |      |            |       |      |      |      |                      |      |      |      |      |
| Net result                       | 108.7  | 49.4  | 33.5       | 36.4       |            |            |            |                            |  |  |  |  |                                  |       |       |       |       |                    |       |       |       |       |             |      |      |       |      |                             |       |      |      |      |            |       |      |      |      |                      |      |      |      |      |
| Efficiency ratio (%)             | 59.5   | 68.9  | 74.1       | 70.0       |            |            |            |                            |  |  |  |  |                                  |       |       |       |       |                    |       |       |       |       |             |      |      |       |      |                             |       |      |      |      |            |       |      |      |      |                      |      |      |      |      |

| <i>(x € million)</i>  |            |            |            |            |
|---|------------|------------|------------|------------|
|   | 31/12/2014 | 30/06/2014 | 31/12/2013 | 30/06/2013 |
| <b>Balance sheet and capital management</b>   |            |            |            |            |
| Equity attributable to shareholders   | 1,292      | 1,268      | 1,283      | 1,276      |
| Equity attributable to non-controlling interests  | 58         | 55         | 55         | 56         |
| Savings and deposits  | 10,499     | 10,480     | 10,161     | 10,142     |
| Loans and advances to customers   | 11,021     | 11,929     | 12,491     | 13,090     |
| Total assets  | 17,259     | 17,694     | 17,670     | 17,057     |
| Funding ratio (%)   | 95.3       | 87.9       | 81.3       | 77.5       |
| Risk-weighted assets <sup>1</sup>   | 7,356      | 8,137      | 9,003      | 9,505      |
| Common Equity Tier I-ratio (phase-in) <sup>1</sup>  | 14.6       | 13.8       | 13.1       | 12.5       |
| Tier I ratio (%) <sup>1</sup>   | 14.6       | 13.8       | 13.1       | 12.5       |
| BIS total capital ratio (%) <sup>1</sup>  | 15.2       | 14.5       | 13.9       | 13.4       |
| <i>(x € billion)</i>  |            |            |            |            |
|   | 31/12/2014 | 30/06/2014 | 31/12/2013 | 30/06/2013 |
| <b>Client assets</b>  |            |            |            |            |
| Client assets   | 57.4       | 56.1       | 53.4       | 51.3       |
| - Assets under management   | 46.9       | 45.6       | 43.2       | 41.2       |
| - Savings and deposits  | 10.5       | 10.5       | 10.2       | 10.1       |
| Assets under management   | 46.9       | 45.6       | 43.2       | 41.2       |
| - Discretionary   | 35.7       | 34.2       | 31.8       | 29.8       |
| - Non-discretionary   | 11.2       | 11.4       | 11.4       | 11.4       |
|   | 31/12/2014 | 30/06/2014 | 31/12/2013 | 30/06/2013 |
| <b>Key figures</b>  |            |            |            |            |
| Weighted average number of outstanding ordinary shares (x 1,000)  | 40,919     | 40,951     | 40,918     | 40,891     |
| Earnings per share based on average number of ordinary shares (€)   | 2.42       | 1.14       | 0.71       | 0.78       |
| Return on average Common Equity Tier 1 capital (%) <sup>2</sup>   | 8.8        | 8.1        | 2.5        | 5.4        |
| Number of staff (FTEs)  | 1,772      | 1,871      | 1,992      | 2,060      |
| <p><sup>1</sup> Per 30 June 2014 in line with Basel III on a phase-in basis. The comparative figures relate to Basel II.</p> <p><sup>2</sup> Per 30 June 2014 Common Equity Tier I capital. The comparative figures Core Tier I capital.</p> <p><i>These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2014 and 31 December 2013 of Van Lanschot N.V. and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot N.V. as of and for the periods ended 30 June 2014 and 30 June 2013. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.</i></p> |            |            |            |            |
| <b>Material/Significant Change</b>  |            |            |            |            |
| There has been no significant change in the financial position of the Issuer or of Van Lanschot N.V. (taken as a whole) which has occurred since 31 December  |            |            |            |            |

|             |  |  |
|-------------|--|--|
|             |  | 2014.  |
| <b>B.13</b> | <b>Recent material events particular to the Issuer's solvency:</b>                   | Not applicable. There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the solvency of the Issuer or Van Lanschot N.V.   |
| <b>B.14</b> | <b>Extent to which the Issuer is dependent upon other entities within the group:</b> | For its income, Van Lanschot N.V. is dependent upon the Issuer and, through the Issuer, Kempen & Co, and, as its intermediate holding company, the Issuer is in part dependent on the income from its subsidiary Kempen & Co. The Issuer has a subsidiary that has two branches in Switzerland to serve its private clients.   |
| <b>B.15</b> | <b>Principal activities of the Issuer:</b>   | <p>The Issuer is a specialist, independent wealth manager dedicated to the preservation and creation of wealth for its private and institutional clients. Private banking, asset management and merchant banking are its core activities. The Issuer aims to be the preferred wealth manager for its domestic and international client base by providing top-quality advice and service, and superior risk-adjusted returns. And in doing so attract, develop and retain the best available talent in the market and provide an exciting, entrepreneurial working environment.</p> <p>Within private banking, the Issuer focuses on wealthy private individuals, entrepreneurs and family businesses, while also targeting business professionals and executives, healthcare professionals, and foundations and associations. With a network of 36 offices and client reception venues in the Netherlands, Belgium and Switzerland, the Bank differentiates itself, either direct or through its subsidiaries, by building a clearly defined local presence. The Issuer experiences an increasing demand in private banking for online services combined with personal attention and service by advisers. The Bank responded by launching a new service model with the brand name Evi: Personal Banking, a leading online offering of discretionary asset management, investment advice and savings. Personal Banking also opens the doors to clients starting out in wealth management and seeking expert advice and support in wealth creation. The Bank offers two other service models for clients with more complex financial requests and needs that increasingly require specialist knowledge: Private Banking and Private Office.</p> <p><i>Business Segmentation</i><br/>The Bank uses the following segmentation: Private Banking, Asset Management, Merchant Banking, Other Activities and Corporate Banking.</p> <p><i>Private Banking</i><br/>Within Private Banking, the Issuer focuses on wealthy private individuals, entrepreneurs and family businesses, while also targeting business professionals (accountants, lawyers, public notaries and attorneys) and executives of listed companies, healthcare professionals, and foundations and associations.</p> <p>The Bank provides a full range of financial services to its clients, which includes financial planning, wealth planning, asset management and investment advice. Through Evi, the Bank offers an online investment and savings coach targeting starters in the wealth management segment. Furthermore, the Bank offers international private banking solutions through its offices in Switzerland. Preservation and creation of wealth form the basis of the services provided by the Bank.</p> <p><i>Asset Management</i><br/>The Asset Management business segment comprises the asset management activities of the Bank. Preservation and creation of wealth is the key competence of the Bank. This business segment's target group consists of institutional investors, pension funds, insurance companies, financial institutions, government-controlled bodies, foundations and associations and wealthy individuals. The Bank offers</p> |



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|             |  | <p>institutional and fiduciary asset management, management of investment funds and development of investment products and solutions. The Bank has specialised strategies in global, European and Dutch small caps, listed real estate, high income equities, fixed income and fund of hedge funds.</p> <p><i>Merchant Banking</i><br/>The Merchant Banking business segment focuses its operations on a specific client target group: listed and unlisted companies and corporate clients of the Bank. Merchant Banking offers independent advice and support in mergers, acquisitions, capital market transactions and financial restructurings. The services mostly concern separate assignments for which one-off fees and commissions are received. The Merchant Banking segment also offers securities research, brokerage and investment products to professional investors, clients of Private Banking and listed companies.</p> <p><i>Other activities</i><br/>This segment comprises the other activities in the field of interest rate, market and liquidity risk management. This segment also includes the one-off charges under the investment and cost reduction programme.</p> <p><i>Corporate Banking</i><br/>Within Corporate Banking a team of specialists is engaged in managing and scaling down the real estate financing and SME loan portfolio for non-Private Banking clients.</p> |
| <b>B.16</b> | <b>Extent to which the Issuer is directly or indirectly owned or controlled:</b> | <p>All outstanding shares in the capital of the Issuer are held by the holding company Van Lanschot N.V. and accordingly, Van Lanschot N.V. has complete control over the Issuer.</p> <p>The authorised share capital of Van Lanschot N.V. consists of 135,000,000 shares of €1 nominal value each, and is divided into ordinary shares A ("<b>Class A Shares</b>") and ordinary shares B ("<b>Class B Shares</b>") and preference shares C ("<b>Class C Shares</b>"). Class B Shares and Class C Shares have not been issued. The outstanding ordinary share capital of Van Lanschot N.V. on 31 December 2013 amounts to EUR 41,016,668. The Class A Shares are held by Stichting Administratiekantoor van gewone aandelen A Van Lanschot N.V., which has issued depositary receipts for these shares. These depositary receipts for Van Lanschot N.V. shares, representing 100 per cent. of the ordinary share capital, are listed and traded on Euronext in Amsterdam.</p>   |
| <b>B.17</b> | <b>Credit ratings assigned to the Issuer or its debt securities:</b>             | <p>Tranches of Notes may be rated or unrated. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. The Issuer has been rated "BBB+" (stable outlook) by S&amp;P and "A-" (negative outlook) by Fitch.</p> <p><i>Issue specific summary:</i><br/>[Not Applicable. The Notes to be issued have not been rated.][The Notes to be issued[have been]/[are expected to be] specifically rated [<i>specify rating(s) of Tranche being issued</i>] by [<i>specify rating agency</i>]]</p>  |
| <b>B.18</b> | <b>Description of the Guarantee:</b>   | <p>Van Lanschot N.V. has issued a written undertaking of joint and several liability for all debts arising from any legal act of the Bank under Section 2:403 of the Netherlands Civil Code (the "<b>403-Declaration</b>"). As a consequence, the Issuer is exempt from the publication of financial statements and its financial data are consolidated into Van Lanschot N.V.'s financial statements.</p> <p>On the basis of the 403-Declaration, Van Lanschot N.V. will be jointly and severally liable with the Bank for the debts resulting from legal acts of the Bank. Van Lanschot N.V. has the right to withdraw the 403-Declaration at any time by depositing a declaration to this effect with the Chamber of Commerce. Nevertheless, the liability shall continue in respect of obligations which arise from legal acts performed before the withdrawal could be invoked against a creditor.</p>   |

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|                               |  | Van Lanschot N.V. can also file a notice of its intention to terminate its remaining liability after withdrawal of the 403-Declaration. Such remaining liability will terminate if certain conditions are met, inter alia, that (i) the Bank no longer belongs to the same group of companies as Van Lanschot N.V. and (ii) a two month notice period has expired and the relevant creditor has not opposed the intention to terminate in time or such opposition was dismissed by the court.  |
| <b>B.19</b>                   | <b>Information about the Guarantor:</b>  | <p>The legal and commercial name of Van Lanschot N.V. is Van Lanschot N.V. Van Lanschot N.V. is a public company with limited liability (<i>naamloze vennootschap</i>) incorporated under Dutch law, having its statutory seat at 's-Hertogenbosch, the Netherlands. Van Lanschot N.V. is registered in the Chamber of Commerce under file number 16014051.</p> <p>There are no recent events particular to Van Lanschot N.V. which are to a material extent relevant to the evaluation of Van Lanschot N.V.'s solvency.</p> <p>In addition, as Van Lanschot N.V. is solely a holding company, please see the information as set out in Elements B.4b up to and including B.12 and B.14 up to and including B.16 above, which Elements cover information on both the Issuer and Van Lanschot N.V., as specified in such Elements. No ratings have been assigned to Van Lanschot N.V.</p> |
| <b>Section C – Securities</b> |  |  |
| <b>C.1</b>                    | <b>Type and class of the Notes and Security Identification Number(s):</b>          | <p>The Notes described in this section are debt securities with a denomination of less than €100,000 (or its equivalent in any other currency).</p> <p><i>Issue specific summary:</i><br/> <i>Interest Basis</i><br/> The Notes are [Fixed Rate[s]][Fixed Rate Reset][Floating Rate[s]][Inverse Floating Rate][Zero Coupon] Notes.</p> <p><i>Redemption/Payment Basis</i><br/> [Instalment Note Partly][Paid Note]</p> <p><i>Security Identification Number(s)</i><br/> [ISIN: [ ]]/[Common code: [ ]]/[Other relevant code: [ ]].</p> <p><i>Fungibility</i><br/> [The Notes shall be consolidated and form a single series with the [insert description of the Series] on [insert date/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note[, which is expected to occur on or about [insert date]]]</p>                                     |
| <b>C.2</b>                    | <b>Currencies:</b>   | <p>Notes may be denominated in any currency as agreed between the Issuer and the (relevant) Dealer(s), in each case subject to compliance with all applicable legal or regulatory requirements.</p> <p><i>Issue specific summary:</i><br/> The Specified Currency of the Notes is [ ].</p>   |
| <b>C.5</b>                    | <b>A description of any restrictions on the free transferability of the Notes:</b> | The Notes are freely transferrable. Selling and offer restrictions do not render the Notes legally incapable of being transferred.   |
| <b>C.8</b>                    | <b>Description of the rights attached to the Notes:</b>                            | <p><i>Ranking (status)</i><br/> A Note may be a Senior Note or a Subordinated Note, as specified in the applicable Final Terms. The Senior Notes will constitute unsecured and unsubordinated obligations of the Issuer and will <i>rank pari passu</i> without any preference among</p>   |

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|  |  | <p>themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law. The Subordinated Notes will constitute unsecured and subordinated obligations of the Issuer and will, subject as set out in the following paragraphs, rank <i>pari passu</i> without any preference among themselves and with all other present and future unsecured and subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law and those subordinated obligations expressed to be subordinated to the Subordinated Notes.</p> <p><b><i>Issue specific summary:</i></b><br/>The Notes are Senior Notes.</p> <p><b><i>Taxation</i></b><br/>All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer will be made free and clear of, and without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Netherlands or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer will, depending on which provision is specified in the applicable Final Terms, either make the required withholding or deduction of such taxes, duties, assessments or governmental charges for the account of the holders of the Notes, Receipts or Coupons, as the case may be, and shall not pay any additional amounts to the holders of the Notes, Receipts or Coupons or, subject to certain exceptions, pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction.</p> <p><b><i>[Negative pledge</i></b><br/>The terms of the Senior Notes contain, subject to certain exceptions, a negative pledge stating that the Issuer will not secure by lien, pledge or other charge upon the whole or part of its assets or revenues any present or future lien, debt, guarantee or other obligation of the Issuer or any of its subsidiaries without at the same time securing the Senior Notes equally and rateably with such present or future lien, debt, guarantee or other obligation of the Issuer.]</p> <p><b><i>Events of Default</i></b><br/>The terms and conditions of the Senior Notes contain each of the events of default listed under item (i) up to and including item (vi) below [and the terms and conditions of the Subordinated Notes contain the events of default listed under item items (iv) and (v)]:</p> <ul style="list-style-type: none"> <li>(i) if default is made for more than 14 days in the payment of interest or principal in respect of the Notes; or</li> <li>(ii) if the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for the period of 30 days next following the service on the Issuer of notice requiring the same to be remedied; or</li> <li>(iii) the Issuer fails in the due repayment of borrowed money in excess of €15,000,000 and such failure continues for a period of 14 days after notice of such failure has been received by the Issuer, provided that no event of default shall be deemed to have occurred if the Issuer shall contest its liability in good faith or shall have been ordered not to make such a payment by a competent court; or</li> <li>(iv) an order is made or an effective resolution is passed for the winding up or</li> </ul> |
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|     |  | <p>liquidation of the Issuer unless this is done in connection with a merger, consolidation or other form of combination with another company and such company assumes all obligations contracted by the Issuer in connection with the Notes; or</p> <p>(v) the Issuer is declared bankrupt or a declaration is made in respect of the Issuer under Article 3:163(1)(b) of the Netherlands Act on Financial Supervision (<i>Wet op het financieel toezicht</i>, "NAFS") in respect of the Issuer; or</p> <p>(vi) emergency measures in respect of the Issuer as referred to under Article 3:160(1)(a) or (c) of the NAFS are declared.</p> <p><i>Meetings</i></p> <p>Meetings of Noteholders may be convened to consider any matter affecting their interests including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or certain provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders of each Series holding not less than five per cent. in nominal amount of the Notes. There are quorum requirements for passing an Extraordinary Resolution. An Extraordinary Resolution passed at any meeting of the Noteholders of each Series shall be binding on all the Noteholders of such class of Notes, whether or not they are present at the meeting, and on all Receiptholders and Couponholders. The Issuer may not vote on any Notes held by it, whether directly or indirectly, and such Notes shall not be taken into account in establishing the total amount outstanding. The Agency Agreement also provides that (i) a resolution in writing signed by or on behalf of the holders of not less than two-thirds in nominal amount of such Notes for the time being outstanding or (ii) consents given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than two-thirds in nominal amount of such Notes for the time being outstanding, shall, in either case, for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held.</p> <p><i>Governing Law</i></p> <p>The laws of the Netherlands.</p> |
| C.9 | <p><b>Interest, maturity and redemption provisions, yield and representative of the Noteholders:</b></p> | <p><i>Interest</i></p> <p>Notes may or may not bear interest. Interest bearing Notes will be Fixed Rate Notes (which may be subject to reset (<i>Fixed Rate Reset Notes</i>)) or Floating Rate Notes. In each case, interest will be payable on the date or dates specified in the applicable Final Terms and on redemption, and will be calculated on the basis as may be agreed between the Issuer and the relevant Dealer (as specified in the applicable Final Terms).</p> <p><i>Maturities</i></p> <p>The Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency, specified in the applicable Final Terms.</p> <p>Unless previously redeemed or purchased and cancelled earlier, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.</p> <p><i>Early Redemption</i></p> <p>The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified instalments (see below), if applicable, or can be redeemed for taxation reasons, for illegality reasons (Senior Notes only), or pursuant to an issuer call option, for regulatory reasons</p>  |

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|  | <p>(Subordinated Notes that qualify as Tier 2 capital of the Issuer ("<b>Tier 2 Notes</b>") only) or following an Event of Default or that such Notes will be redeemable at the option of the Issuer and/or the holders of such Notes on a date or dates specified prior to such stated maturity and at a price or prices as are specified in the applicable Final Terms or if no such date is stated in the Final Terms at the market value (if specified <i>adjusted for Early Redemption Unwind Costs</i>) or nominal amount of such Notes, depending on the reasons for redemption. The applicable Final Terms may provide that Notes may be repayable in two or more instalments of such amounts and on such dates as specified in the Final Terms. The Notes are unsecured obligations of the Issuer and will be redeemed in full by the Issuer.</p> <p>For the purposes of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, and amending Regulation (EU) No. 648/2012 (the "<b>CRD IV Regulation</b>") to which the Issuer is subject, Subordinated Notes may qualify as Tier 2 capital, as referred to in CRD IV Regulation. Tier 2 Notes may only be redeemed early on receipt of written approval of the Relevant Regulator by the party seeking to redeem such Subordinated Notes early.</p> <p>"<b>Relevant Regulator</b>" means DNB and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer, as determined by the Issuer.</p> <p>In addition, the Issuer may at any time, on giving not less than fifteen (15) nor more than thirty (30) days' notice to the holders of Senior Notes, redeem all but not some only of the Senior Notes for the time being outstanding at their Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption if, prior to the date of such notice, 90 per cent. or more in nominal amount of the Senior Notes of such Series have been redeemed or purchased and cancelled.</p> <p><i>Representative of Noteholders</i><br/>Not applicable.</p> <p><i>Partly Paid Notes</i><br/>The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investment in the Note under which such investor so failed to pay.</p> <p><i>Inverse Floating Rate Notes</i><br/>Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.</p> <p><b>Issue specific summary:</b></p> <p><i>Interest</i><br/>[Fixed Rate Notes: ] [The Notes are Fixed Rate Notes. The Notes bear interest from [ ] at a rate of [ ] per cent. per annum [in period [ ] and at a rate of [ ] in period [ ] [etc.]] [payable [annually/semi-annually/quarterly/monthly] in arrear on [ ] in each year. Indication of yield: [[ ]/Not applicable]/[ ] per cent. per annum.]</p> <p>[Fixed Rate Reset Notes: ] The Fixed Rate Reset Notes bear interest at the fixed rate of [ ] per cent. per annum subject to reset on [ ] and [ ].] [payable [annually/semi-annually/quarterly/monthly] in arrear on [ ] in each year.]</p> |
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|             |   | <p>[Floating Rate Notes: ][The Notes are Floating Rate Notes. The Notes bear interest from [ ] at a rate of [ ] per cent. per annum plus [insert Reference Rate].] [payable [annually/semi-annually/quarterly/monthly] in arrear on [ ] in each year.]</p> <p>[Zero Coupon Notes: ][The Notes are Zero Coupon Notes and do not bear interest. The Amortization Yield is [...] per cent. per annum.]</p> <p>[Inverse Floating Rate:][The Notes are Inverse Floating Notes. The Notes bear interest from [ ] at a rate of [ ] per cent. per annum minus [insert Reference Rate] [payable [annually/semi-annually/quarterly/monthly] in arrear on [ ] in each year.]</p> <p>[Partly paid Notes: ][The Notes are Partly Paid Notes.][Fixed Rate:] The Notes bear interest from [ ] at a rate of [ ] per cent. per annum [in period [ ] and at a rate of [ ] in period [ ] [etc.]] [payable [annually/semi-annually/quarterly/monthly] in arrear on [ ] in each year. [Fixed Rate Reset Notes: ] The Fixed Rate Reset Notes bear interest at the fixed rate of [ ] per cent. per annum subject to reset on [ ] and [ ].] Indication of yield: [[ ]/Not applicable]/[ ] per cent. per annum.] [Floating Rate:] [The Notes bear interest from [ ] at a rate of [ ] per cent. per annum plus [insert Reference Rate]. [the partly paid amount is [ ]. The partly paid date is [ ].]</p> <p><i>Maturity</i><br/>The Maturity Date of the Notes is [[ ]/Interest Payment Date falling in or nearest to the relevant month and year: [ ]]. Unless previously redeemed or purchased and cancelled, the Issuer will redeem the Notes at [ ] per Calculation Amount in [insert specified currency] on [ ].</p> <p><i>Early Redemption</i><br/>The Issuer may redeem the Notes prior to their stated maturity [(i) for taxation reasons, ][or (i)/(ii)] for illegality reasons [or (ii)/(iii)] following an Event of Default[, subject to optional redemption, as set out below][and][for regulatory reasons].</p> <p><i>Optional Redemption</i><br/>[Issuer Call Option][and][Put Option].</p> <p><i>Redemption Amount</i><br/>The Final Redemption Amount shall be [ ], or, in case of Early Redemption, the Early Redemption Amount determined in accordance with the Final Terms and the Conditions[ or, in case of [Issuer Call Option][and][Put Option], the Optional Redemption Amount, being [ ]], and, in case of partial redemption, subject to the Minimum Redemption Amount and Maximum Redemption Amount, being [ ]], and, in each case, subject to adjustment as specified in the Final Terms and subject to the Conditions.</p> <p><i>Representative of Noteholders</i><br/>Not applicable.</p> |
| <b>C.10</b> | <b>Derivative component in interest payments:</b> | Not applicable.   |
| <b>C.11</b> | <b>Listing and admission to trading:</b>          | <p>The Notes may be admitted to listing on (i) Euronext in Amsterdam, (ii) the Luxembourg Stock Exchange (after a notification of the approval of the Base Prospectus, as supplemented, has been given to the CSSF), and (iii) any other exchange or (iv) may be issued on an unlisted basis.</p> <p><i>Issue specific summary:</i><br/>[Application has been made]/[Application is expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to trading on [ ] with effect from [</p>   |

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|                          |  | ]/[Not applicable. The Notes are not intended to be admitted to trading on a stock exchange.]   |
| <b>C.21</b>              | <b>Indication of the market where the securities will be traded and for which prospectus has been published:</b> | See the above element, C.11. At the date of this Base Prospectus the Issuer has published the Base Prospectus with a view to offering Notes in Belgium, Luxembourg and the Netherlands.   |
| <b>Section D – Risks</b> |  |   |
| <b>D.2</b>               | <b>Key information on the key risks that are specific to the Issuer:</b>   | <p>By investing in Notes, investors assume the risk that the Issuer may become insolvent or otherwise unable to make all payments due under the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due under the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur. The inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for various reasons. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its ability to make all payments due under the Notes. The Issuer has identified a number of factors which could materially adversely affect its business and ability to make all payments due under the Notes.</p> <p>These factors include:</p> <ul style="list-style-type: none"> <li>• volatility and strength of the economic, business and capital markets environments specific to the geographical regions in which the Issuer conducts business;</li> <li>• adverse capital and credit market conditions;</li> <li>• default of a major market participant, which could disrupt the markets;</li> <li>• operational risks relating to personnel, internal control processes, human errors, regulatory breaches;</li> <li>• unpredictable catastrophic events;</li> <li>• general economic conditions and other business conditions;</li> <li>• fluctuations in the financial markets;</li> <li>• client concentration or inability to sufficiently diversify its client base;</li> <li>• substantial competitive pressures;</li> <li>• changes in the financial services laws and/or regulations governing the Issuer's business, including changes in tax law;</li> <li>• minimum regulatory capital and liquidity requirements;</li> <li>• failure of IT and other systems;</li> <li>• reputation damage;</li> <li>• possible impairment of goodwill and intangible assets;</li> <li>• litigation, other proceedings or actions;</li> <li>• additional powers of regulatory authorities;</li> <li>• financial transaction tax;</li> <li>• interest rate volatility and other interest rate changes;</li> <li>• risks associated with deposit guarantee schemes and similar funds;</li> <li>• inability by the Issuer to manage its risks successfully through derivatives;</li> <li>• inability to retain key personnel;</li> <li>• inadequate management policies;</li> <li>• mis-selling claims made by clients;</li> <li>• inability of counterparties to meet their financial obligations;</li> <li>• ratings downgrades;</li> <li>• sustained increase in inflation; and</li> </ul> |

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|                          |   | <ul style="list-style-type: none"> <li>adverse publicity to financial services industry in general.</li> </ul>   |
| <b>D.3</b>               | <b>Key information on the key risks that are specific to the Notes:</b> | <p>There are also risks associated with the Notes. These include:</p> <p><b>Risks related to the market generally</b></p> <ul style="list-style-type: none"> <li>limited liquidity in the secondary market;</li> <li>exchange rate risks and exchange controls;</li> <li>interest rate risks; and</li> <li>credit rating risks.</li> </ul> <p><b>Risk related to the structure of a particular issue of Notes</b></p> <ul style="list-style-type: none"> <li>an optional redemption feature of Notes is likely to limit their market value;</li> <li>risks related to the status of Subordinated Notes;</li> <li>limited rights in respect of Tier 2 Notes;</li> <li>redemption risk in respect of Subordinated Notes (including Tier 2 Notes);</li> <li>risks related to the conversion of a fixed to a floating rate of interest;</li> <li>risks related to Fixed Rate Reset Notes, Partly Paid Notes and Inverse Floating Rate Notes and Notes issued at a substantial discount or premium; and</li> <li>potential conflicts of interest between the Calculation Agent and the Noteholders.</li> </ul> <p><b>Risks related to Notes generally</b></p> <ul style="list-style-type: none"> <li>modification, adjustments, waivers and substitution;</li> <li>tax consequences;</li> <li>risks related to Notes held in global form;</li> <li>risks related to Notes held in new global note form;</li> <li>implemented and proposed banking legislation for ailing banks;</li> <li>change of law;</li> <li>risks related to the Netherlands as jurisdiction; and</li> <li>FATCA to an investment in the Notes.</li> </ul> |
| <b>Section E – Offer</b> |   |  |
| <b>E.2b</b>              | <b>Reasons for the offer and use of proceeds:</b>                       | <p>The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes.</p> <p><b>Issue specific summary:</b><br/>[include particular identified use of proceed (if any)]</p>   |
| <b>E.3</b>               | <b>Terms and Conditions of the Offer:</b>                               | <p>The terms and conditions of each offer of Notes, if applicable, will be determined by agreement between the Issuer and the (relevant) Dealer(s) at the time of issue and specified in the applicable Final Terms.</p> <p><b>Issue specific summary:</b><br/>[Not Applicable. The Notes are not being offered to the public as part of a Public Offer.]</p> <p>[Conditions to which the offer is subject: [Offers of the Notes are conditional on their issue. As between the Authorised Offerors and their customers, offers of the Notes are further subject to conditions as may be agreed between them and/or as specified in the arrangements in place between them.]</p> <p>Total amount of the offer; if the amount is not fixed, description of the arrangements and time for announcing the definitive amount to the public: [     ]</p> <p>Description of the application process, including offer period, including any possible amendments, during which the offer will be open: [A prospective Noteholder should contact the applicable Authorised Offeror in the applicable Public Offer Jurisdiction prior to the end of the Offer Period. A prospective Noteholder will subscribe for the Notes in accordance with the arrangements</p>  |



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|            |   | <p>existing between such Authorised Offeror and its customers relating to the subscription of securities generally. Noteholders will not be required to enter into any contractual arrangements directly with the Issuer in connection with the subscription of the Notes.]] [ ]</p> <p>Description of possibility to reduce subscriptions: [Not Applicable/<i>give details</i>]</p> <p>Description of manner for refunding excess amount paid by applicants: [Not Applicable/<i>give details</i>]</p> <p>Details of the minimum and/or maximum amount of application: [There are no pre-identified allotment criteria. The Authorised Offeror will adopt allotment criteria in accordance with customary market practices and applicable laws and regulations.] [<i>give details</i>]</p> <p>Details of the method and time limits for paying up and delivering the Notes: [Investors will be notified by the relevant Authorised Offeror of their allocations of Notes and the settlement arrangements in respect thereof.] [<i>give details</i>]</p> <p>Manner in and date on which results of the offer are to be made public: [Investors will be notified by the applicable Authorised Offeror of their allocations of Notes and the settlement procedures in respect thereof on or around [date].] [<i>give details</i>]</p> <p>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable/<i>give details</i>]</p> <p>Categories of potential investors to which the Notes are offered and whether Tranche(s) have been reserved for certain countries: [Offers may be made by the Authorised Offerors in each of the Public Offer Jurisdictions to any person during the Offer Period. In other EEA countries and in all jurisdictions (including the Public Offer Jurisdictions) outside of the Offer Period, offers will only be made by the [Dealers] pursuant to an exemption under the Prospectus Directive, as implemented in such countries. All offers of the Notes will be made in compliance with all applicable laws and regulations.] [<i>give details</i>]</p> <p>Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [Prospective Noteholders will be notified by the relevant Authorised Offeror in accordance with the arrangements in place between such Authorised Offeror and the prospective Noteholders.] [No dealing in the Notes may begin before such notification is made]</p> <p>Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: The Initial Authorised Offerors identified in item 41 of Part A of the Final Terms [and any additional Authorised Offerors who have or obtain the Issuer's consent to use the Prospectus in connection with the Public Offer and who are identified on the Issuer's website as an Authorised Offeror] (together, the "<b>Authorised Offerors</b>").</p> <p>Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not applicable/<i>give details</i>]</p> |
| <b>E.4</b> | <b>Interests of natural and legal persons involved in the issue of the Notes:</b> | <p>The (relevant) Dealer(s) may be paid fees (if applicable) in relation to any issue of Notes. Any such Dealer and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. In addition, in a dealer agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the maintenance of the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.</p>  |

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|     |   | <p>A description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest will, if required under the Prospectus Directive, be specified in the applicable Final Terms. This description may be satisfied by disclosure that, except for the commissions payable to the Dealers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.</p> <p><i>Issue specific summary:</i><br/> [Except for the commissions payable to the Dealers, investment banking, commercial banking transactions and other services, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]/[ ]</p> |
| E.7 | <p><b>Estimated expenses charged by the Issuer or any Authorised Offeror:</b></p> | <p>There are no expenses charged to the investor by the Issuer or any Authorised Offeror; however, such expenses may be charged to investors in connection with a specific issue of Notes. If so, details will be specified in the applicable Final Terms.</p> <p><i>Issue specific summary:</i><br/> [There are no expenses charged to the investor by the Issuer or any Authorised Offeror]/[The following expenses are to be charged to the investor by the Issuer or any Authorised Offeror: [ ]].</p>  |

## RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The Issuer believes that there are also factors which are material for the purpose of assessing the market risk associated with the Notes. The Issuer believes that all the factors described below represent the material risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons not known to the Issuer or not deemed to be material enough. The Issuer represents that the statements below regarding the risks of investing in any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision. Any reference to the "Issuer" below should, where the context so requires, be read as a reference to the Issuer or to the group that the Issuer forms part of.*

*Before making an investment decision with respect to any Notes, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the Notes and consider such an investment decision in the light of the prospective investor's personal circumstances.*

### RISK FACTORS REGARDING THE ISSUER

***The Issuer's revenues and earnings are affected by the volatility and strength of the economic, business and capital markets environments specific to the geographic regions in which it conducts business. The ongoing turbulence and volatility of such factors have affected, and may continue to (adversely) affect, the profitability and solvency of the Issuer***

Factors such as interest rates, securities prices, credit spreads, liquidity spreads, exchange rates, consumer spending, changes in client behaviour, business investment, real estate and private equity valuations, government spending, inflation, the volatility and strength of the capital markets, political events and trends, and terrorism all impact the business and economic environment and, ultimately, its solvency, liquidity and the amount and profitability of business the Issuer conducts in a specific geographic region. In an economic downturn characterised by higher unemployment, lower family income, lower corporate earnings, higher corporate and private debt defaults, lower business investments and lower consumer spending, the demand for banking products is usually adversely affected and the Issuer's reserves and provisions typically would increase, resulting in overall lower earnings. Securities prices, real estate values and private equity valuations may also be adversely impacted and any such losses would be realised through the profit and loss account and reduce shareholders' equity. The Issuer also offers a number of financial products that expose it to risks associated with fluctuations in interest rates, securities prices, corporate and private default rates, the value of real estate assets, exchange rates and credit spreads.

In case one or more of the factors mentioned above adversely affects the profitability of the Issuer's business this might also result, among other things, in the following:

- reserve inadequacies which could ultimately be realised through the profit and loss account;
- the write down of tax assets impacting net results;
- impairment expenses related to goodwill and other intangible assets, impacting net results; and/or
- movements in risk weighted assets for the determination of regulatory required capital,

and one or more of these events may reduce shareholders' equity and adversely affect the Issuer's financial condition.

Shareholders' equity, solvency and the Issuer's net result may be significantly impacted by ongoing turbulence and volatility in the worldwide financial markets and economy generally. Negative developments in financial markets and/or economies may have a material adverse impact on shareholders' equity, solvency and net result in future periods, including as a result of the potential consequences listed above.

***Adverse capital and credit market conditions may impact the Issuer's ability to access liquidity and capital, as well as the cost of credit and capital***

The capital and credit markets have from time to time been experiencing volatility and disruption. Adverse capital market conditions may affect the availability and cost of borrowed funds, thereby impacting the Issuer's ability to support or grow its businesses.

The Issuer needs liquidity in its day-to-day business activities to pay its operating expenses, interest on its debt and dividends on its capital stock and to maintain its repo activities; and replace certain maturing liabilities. Without sufficient liquidity, the Issuer may be forced to curtail its operations and its business may suffer. The principal sources of its funding are client deposits, including from retail clients, and medium- and long-term debt securities, in a secured (i.e. residential mortgage backed securities and covered bonds) and unsecured format. Other sources of funding may also include a variety of short- and long-term instruments, including repurchase agreements, medium- and long-term debt, subordinated debt securities, securitised debt, capital securities and shareholders' equity.

In the event that current resources do not satisfy its needs or need to be refinanced, the Issuer may need to seek additional financing. The availability of additional financing will depend on a variety of factors such as market conditions, the general availability of credit, the volume of trading activities, the volume of maturing debt that needs to be refinanced, the overall availability of credit to the financial services industry, the Issuer's credit ratings and credit capacity, as well as the possibility that clients or lenders could develop a negative perception of its long- or short-term financial prospects. Similarly, the Issuer's access to funds may be limited if regulatory authorities or rating agencies take negative actions against it. If the Issuer's internal sources of liquidity prove to be insufficient, there is a risk that external funding sources might not be available or available at unfavourable terms only.

Disruptions, uncertainty or volatility in the capital and credit markets, such as that experienced in the recent past, including in relation to the ongoing European sovereign debt crisis, may also limit the Issuer's access to capital required to operate its business. Such market conditions may in the future limit the Issuer's ability to raise additional capital to support business growth, or to counter-balance the consequences of losses or increased regulatory capital requirements. This could force the Issuer to (1) delay raising capital, (2) reduce, cancel or postpone interest payments on its capital securities, (3) issue capital of different types or under different terms than the Issuer would otherwise offer, or (4) incur a higher cost of capital than in a more stable market environment. This would have the potential to decrease both the Issuer's profitability and its financial flexibility. The Issuer's results of operations, financial condition, cash flows and regulatory capital position could be materially adversely affected by disruptions in the financial markets.

The Issuer is subject to the jurisdiction of multiple banking regulatory bodies, especially in the Netherlands and Belgium, some of which have proposed regulatory changes that, if implemented, would hinder its ability to manage its liquidity in a centralised manner. Furthermore, regulatory liquidity requirements in certain jurisdictions in which the Issuer operates are generally becoming more stringent, including those forming part of the "Basel III" requirements, discussed further below. There could be an adverse change or increase in the financial services laws and/or regulations governing its business undermining the Issuer's efforts to maintain this centralised management of its liquidity. These developments may cause trapped pools of liquidity, resulting in inefficiencies in the cost of managing the Issuer's liquidity.

***The default of a major market participant could disrupt the markets***

Within the financial services industry the severe distress or default of any one institution (including sovereigns) could lead to defaults or severe distress by other institutions. Such distress or defaults could disrupt securities markets or clearance and settlement systems in the Issuer's markets. This could cause market declines or volatility. Such a failure could lead to a chain of defaults that could adversely affect the Issuer and its contract counterparties. Concerns about the creditworthiness of a sovereign or financial institution (or a default by any such entity) could lead to significant liquidity and/or solvency problems, losses or defaults by other institutions, because the commercial and financial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. Even the perceived lack of creditworthiness of, or questions about, a sovereign or a counterparty may lead to market-wide liquidity problems and losses or defaults by the Issuer or by other institutions. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges

with whom the Issuer interacts on a daily basis and financial instruments of sovereigns in which the Issuer invests. In Europe, systemic risk may materialise due to negative results of exercises similar to the asset quality review by the European Central Bank and their adverse impact on banks' access to funding in wholesale markets. In the Netherlands in particular, systemic risk may materialise due to the high loan-to-deposit ratio of the Dutch banking sector compared with other European banking sectors which is in part caused by households' propensity to save using life insurance and pension products. The high loan-to-deposit ratio exposes the sector to refinancing risk in case of worsening conditions in wholesale funding markets. The large sovereign debts and/or fiscal deficits of a number of European countries and the United States have raised concerns regarding the financial condition of financial institutions. Systemic risk could have a material adverse effect on the Issuer's ability to raise new funding and on its business, financial condition, results of operations, liquidity and/or prospects. In addition, such a failure could impact future product sales as a potential result of reduced confidence in the financial services industry.

The Issuer believes that despite increased attention recently, systemic risk to the markets in which it operates continues to exist, and dislocations caused by the interdependency of financial market participants continues to be a potential source of material adverse changes to the Issuer's business, financial condition, results of operations, liquidity and/or prospects.

***Factors that may affect the Issuer's ability to fulfil its obligations under the Notes***

In accordance with the risk classification outlined by the Dutch Central Bank (*De Nederlandsche Bank N.V.* or "DNB"), banks such as the Issuer may be subject to liquidity risk, operational risk, ICT risk, integrity risk, risk of fraud, outsourcing risk, reputational risk, and credit risk. The Issuer pursues a prudent risk policy, and risk management and control are important elements of its business operations. Therefore, the risks specific to the situation of the Issuer that are material for taking investment decisions and that may affect the Issuer's ability to fulfil its obligations under the Notes, are limited.

***Operational risks are inherent in the Issuer's business***

The Issuer's businesses depend on the ability to process a large number of transactions efficiently and accurately. Losses can result from inadequately trained or skilled personnel, IT failures, inadequate or failed internal control processes and systems, regulatory breaches, human errors, employee misconduct including fraud, or from external events that interrupt normal business operations. The Issuer depends on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. The equipment and software used in the Issuer's computer systems and networks may be at or near the end of their useful lives or may not be capable of processing, storing or transmitting information as expected. Certain of the Issuer's computer systems and networks may also have insufficient recovery capabilities in the event of a malfunction or loss of data. In addition, such systems and networks may be vulnerable to unauthorised access, computer viruses or other malicious code and other external attacks or internal breaches that could have a security impact and jeopardise the Issuer's confidential information or that of its clients or its counterparts. These events can potentially result in financial loss, harm to the Issuer's reputation, hinder its operational effectiveness and adversely affect its financial condition. The Issuer also faces the risk that the design and operating effectiveness of its controls and procedures to prevent such events prove to be inadequate or are circumvented. Furthermore, widespread outbreaks of communicable diseases may impact the health of the Issuer's employees, increasing absenteeism, or may cause a significant increase in the utilisation of health benefits offered to its employees, either or both of which could adversely impact its business.

The Issuer has suffered losses from operational risk in the past and there can be no assurance that it will not suffer material losses from operational risk in the future.

***Because the Issuer's businesses are subject to losses from unforeseeable and/or catastrophic events, which are inherently unpredictable, the Issuer may experience an abrupt interruption of activities, which could have an adverse effect on its financial condition***

Because unforeseeable and/or catastrophic events can lead to an abrupt interruption of activities, the Issuer's business operations may be subject to losses resulting from such disruptions. Losses can relate to property, financial assets, trading positions, insurance and pension benefits to employees and also to key personnel. If the Issuer's business continuity plans are not able to be put into action or do not take such events into account, the Issuer's financial condition could be adversely affected.

***The Issuer's results can be adversely affected by general economic conditions and other business conditions, including the European Sovereign Debt Crisis***

The Issuer's results are affected by general economic and other business conditions. These conditions include changing economic cycles that affect demand for investment and banking products, fluctuations in interest rates, monetary policy, consumer and business spending and demographics. Such cycles are also influenced by global political events, such as terrorist acts, war and other hostilities as well as by market specific events, such as shifts in consumer confidence, industrial output, labour or social unrest and political uncertainty. The Issuer operates almost entirely in the Netherlands and, to a lesser extent, in Belgium and its success is therefore closely tied to general economic conditions in those markets, which, in turn, are part of the European economy.

*European Sovereign Debt Crisis*

The financial markets remain concerned about the ability of certain European countries to finance their deficits and service growing debt burdens amidst difficult economic conditions. This loss of confidence has led to rescue measures for Greece, Portugal and Ireland by Eurozone countries and the International Monetary Fund. Despite these measures, concerns persist regarding the debt burden of certain Eurozone countries and their ability to meet future financial obligations, the overall stability of the Euro and the suitability of the Euro as a single currency given the diverse economic and political circumstances in individual Eurozone countries. In addition, the actions required to be taken by those countries as a condition to rescue packages, and by other countries to mitigate similar developments in their economies, have resulted in increased political discord within and among Eurozone countries, as has been demonstrated by the recent developments in Greece surrounding the extension of the Master Financial Assistance Facility Agreement by the Eurogroup in February 2015. The interdependencies among European economies and financial institutions have also exacerbated concern regarding the stability of European financial markets generally. These concerns could lead to the re-introduction of individual currencies in one or more Eurozone countries, or, in more extreme circumstances, the possible dissolution of the Euro currency entirely. The legal and contractual consequences for holders of Euro-denominated obligations would be determined by laws in effect at such time. This could create significant uncertainties regarding the enforceability and valuation of Euro denominated contracts to which the Issuer (or its counterparties) is a party. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Issuer's Euro-denominated assets and obligations and may even have an adverse effect on the Issuer's financial condition and/or results of operations. Additionally, the possibility of capital market volatility spreading through a highly integrated and interdependent banking system remains elevated. In the event of any default or similar event with respect to a sovereign issuer, some financial institutions may suffer significant losses for which they would require additional capital, which may not be available.

Market and economic disruptions stemming from the crisis in Europe have affected, and may continue to affect, consumer confidence levels and spending, bankruptcy rates, levels of incurrence of and default on consumer debt and home prices, among other factors. There can be no assurance that the market disruptions in Europe, including the increased cost of funding for certain government and financial institutions, will not spread, nor can there be any assurance that future assistance packages will be available or, even if provided, will be sufficient to stabilise the affected countries and markets in Europe or elsewhere. To the extent uncertainty regarding the economic recovery continues to negatively impact consumer confidence and consumer credit factors, the Issuer's business, results of operations and financial condition could be significantly and adversely impacted.

Finally, each of these factors and their interaction could cause significant market dislocations and lead to other adverse economic and operational impacts that are inherently difficult to predict or evaluate, and otherwise have potentially materially adverse impacts on the Issuer and its counterparties, including its depositors, lenders, borrowers and other clients.

*Sensitivity to the economic downturn through home mortgage loans*

Home mortgage loans and to a lesser extent loans to small and medium-sized entities and commercial real estate loans constitute a significant portion of the Issuer's total loan portfolio. A significant downturn in the economy, especially if combined with a drop in property values and increased interest rates, could lead to increased default rates on mortgage loans, loans to small and medium-sized entities and commercial real estate loans and may even have an adverse effect on the Issuer's financial condition and/or results of operations.

*Impact on the Issuer*

The overall decrease in investor confidence due to the financial crisis and economic downturn has resulted in, and may continue to result in, clients switching to more conservative, lower margin products and services as well

as a decline in the volume of transactions that the Issuer executes for its clients and hence may lead to reduced commission income and to a decrease in profit.

Finally, weakness in the European economies, in particular, the Dutch and/or Belgian economies, has had and, if such economic weakness generally or in particular in the Netherlands and/or Belgium, persists, may continue to have a direct negative impact on the demand for products and services of the Issuer. The weakness of these economies could materially adversely affect the investment behaviour of the Issuer's core client group, i.e. high-net-worth individuals. As a result, the Issuer, similar to other financial institutions, could be confronted with net outflows of assets under management or deposits, and could experience difficulties attracting new clients or deposits and retaining existing clients, resulting in a material adverse impact on the Issuer's business, financial condition, results of operations and prospects. For the risks associated with deposits withdrawal, see also the below risk factor under '*The Issuer is exposed to risks of damage to its reputation which may cause loss of business and funding*'.

***The Issuer has generated, and may continue to generate, lower income from commission and fees due to fluctuations in the financial markets and clients experiencing weaker than expected returns on their investments***

The Issuer's results of operations depend, to a significant extent, on factors such as the returns enjoyed by its clients on their investments as well as the ability to attract net new money inflows. Weak investment performance in the financial markets, in general, will adversely impact the value of the assets the Issuer manages for its clients and, therefore, could also have a material adverse effect on the Issuer's results of operations and financial condition. In addition, clients experiencing weaker than expected returns on investments the Issuer offers or recommends relative to investment solutions of or recommended by its competitors could trigger substantial redemptions and outflows from the Issuer's clients' accounts and hence also have a material adverse effect on the Issuer's results of operations and financial condition.

***The Issuer has a certain degree of client concentration, and to the extent the Issuer is unable to retain these clients or sufficiently diversify its client base, its results of operations may suffer***

Being primarily a private banking organisation, the Issuer is exposed to a certain degree of client concentration risk given that its (targeted) clients are high net-worth individuals. Those individuals and their households have, to a certain degree, similar socio-economic characteristics and they are likewise exposed to comparable macroeconomic and regulatory risks. The Issuer specifically aims to offer banking solutions for and banking services to business owners and business executives, high-net-worth individuals and starters in the wealth management market. The strategic aim to also focus on starters started in the fourth quarter of 2013 and may or may not reduce the degree of client concentration. The Issuer's main clients are family businesses and their directors/majority shareholders, business professionals, business executives, healthcare entrepreneurs, and foundations and associations in the Netherlands and Belgium, and, to a certain extent, starters in the wealth management market. In the institutional market, the Bank's subsidiary Kempen & Co mainly focuses on comprehensive fiduciary investment solutions. In addition, a limited number of clients will continue to be significant to the Issuer in terms of assets under management. If the Issuer is unable to retain these clients or sufficiently diversify its client base, its results of operations and financial condition may be adversely affected.

***The Issuer's activities are less diversified than some other Dutch banks***

The majority of the Issuer's income is generated by its Private Banking division and the remainder from its Asset Management, Merchant Banking, Corporate Banking and other activities divisions. As a result, the Issuer is less diversified in terms of client segment and geographically than some other Dutch banks, and is particularly exposed to the development of its Private Banking division and the Dutch economy, and any material adverse effects thereto may adversely affect the Issuer's results of operations and financial condition. See also the above risk factor under the heading '*The Issuer's results can be adversely affected by general economic conditions and other business conditions*'.

***The Issuer's performance is subject to substantial competitive pressures that could adversely affect its results of operations***

There is substantial competition for the types of wealth management and other products and services that the Issuer provides in the Netherlands and the other regions in which the Issuer conducts large portions of its business. Such competition is affected by consumer demand, technological changes, the impact of consolidation, regulatory actions and other factors. If the Issuer is unable to provide attractive product and service offerings that are profitable, it may lose market share or incur losses on some or all activities. Recent significant developments

in the financial markets have resulted in important direct competitors of the Issuer having received or currently receiving state aid. This state aid may have distorting effects on the markets in which the Issuer operates, may affect the position of the Issuer (whether perceived or actual) compared with such competitors within those markets and may therefore have a negative influence on the Bank's competitiveness in the long term.

***The Issuer operates in industries that are highly regulated***

There could be an adverse change or increase in financial services laws, regulations or policies governing or applied in relation to the Issuer's business, including changes in tax law. In addition, the interpretation or application by supervisory authorities or courts of such laws, regulations or policies may adversely change. There are frequent investigations by supervisory authorities, both into the financial services industry and into the Issuer, which could result in governmental enforcement actions. The Issuer conducts its businesses subject to ongoing regulatory and associated risks, including the effects of changes in law, regulations, interpretations, and policies in the Netherlands and any other jurisdiction it conducts its businesses in.

Financial services and banking laws, regulations and policies currently governing or applied in relation to the Issuer may also change, or their interpretation may change, at any time in ways which have an adverse effect on the Issuer's business, and it is difficult to predict the timing or form of any future regulatory or enforcement initiatives in respect thereof. As an organisation with relatively limited scale, the Issuer is burdened financially and operationally by the pressure of increasing and/or changing regulations and the heightened duty to provide reports to regulators. In light of the responses to the global economic and financial crisis there is an increased emphasis on new regulations, including in particular rules and regulations regarding capital, resolution mechanisms and measures (such as living wills and the tendency to simplify legal and operational group structures), liquidity, leverage and other factors (such as provision of financial services, tax compliance, anti-money laundering and otherwise) affecting banks such as the Issuer.

The business of the Issuer is highly regulated and supervised by several Dutch regulatory authorities. The Issuer is required to hold licenses for its operations and is subject to regulation and supervision by authorities in the Netherlands (such as DNB), the AFM and Euronext Amsterdam) and in all other jurisdictions in which it operates. As of 4 November 2014, the Issuer is subject to indirect supervision by the European Central Bank ("**ECB**") under the new system of supervision, which comprises the ECB and the national competent authorities of participating EU Member States, the Single Supervisory Mechanism ("**SSM**"). The SSM is one of the elements of the Banking Union. The ECB may give instructions to DNB in respect of the Issuer or even assume direct supervision over the prudential aspects of the Issuer's business.

Laws and regulations applied at national level generally grant supervisory authorities broad administrative discretion over the activities of the Issuer, including the power to limit or restrict business activities. It is possible that laws and regulations governing the business of the Issuer or particular products and services could be amended or interpreted in a manner that is adverse to the Issuer, for example, to the extent that existing laws and regulations are amended or future laws and regulations are adopted that (i) reduce or restrict the sale of the products and services the Issuer offers, whether existing or new, or (ii) negatively affect the performance of the products and services the Issuer offers, whether existing or new. The revenues and costs of the Issuer, profitability and available or required regulatory capital could also be affected by an increase or change in the degree of regulation in any of the markets in which the Issuer operates, whether existing or new. For example, bail-in regulations (see also the below risk factor under the heading '*Bank Recovery and Resolution Directive and SRM*') forcing write down or conversion into equity of debt incurred by a failing financial institution put into resolution by a competent authority may increase interest on debt instruments incurred by financial institutions generally and so generally increase funding cost of the banking sector, including the Issuer. Due to the highly complex nature of the regulatory environment in which the Issuer operates, it will entail more costs to ensure that the Issuer is, and will continue to be, in compliance with all applicable laws and regulations at all times, since the volume of regulation is increasing and the scope of the activities may change.

If the Issuer or any of its affiliates is in breach of any existing or new laws or regulations now or in the future, the Issuer will be exposed to the risk of intervention by regulatory authorities, including investigation and surveillance, and judicial or administrative proceedings. In addition, the reputation of the Issuer could suffer and the Issuer could be fined or prohibited from engaging in some of its business activities or be sued by clients if it does not comply with applicable laws or regulations.



Furthermore, by nature of their banking activities, private banks such as the Issuer service a higher number of clients with savings and deposits in excess of the Dutch deposit guarantee scheme's current reimbursement limit of EUR 100,000 (*depositogarantiestelsel*). Such clients may be more likely to be affected and/or influenced by any measures, whether proposed or actual, taken in respect of such savings and deposits, which may include but are not be limited to the aforementioned bail-in measures and bank resolutions. These clients may decide to diversify, decrease or cancel their savings and deposits with banks such as the Issuer. Any of the abovementioned circumstances could have a material adverse effect on the ability of banks such as the Issuer to maintain or increase its current and future liquidity ratios and on their financial condition.

#### ***Minimum regulatory capital and liquidity requirements***

The Issuer is subject to the risk, inherent in all regulated financial businesses, of having insufficient capital resources to meet the minimum regulatory capital requirements. Specifically, in December 2010, the Basel Committee on Banking Supervision published its final standards on the revised capital adequacy framework known as "**Basel III**". These standards are significantly more stringent than the requirements until then. In order to facilitate the implementation of the Basel III capital and liquidity standards for banks and investment firms, the CRD IV-package (known as "**CRD IV**") was adopted. CRD IV consists of a directive (the "**CRD IV-Directive**") and a regulation (the "**CRD IV Regulation**") and aims to create a sounder and safer financial system. The CRD IV Directive governs amongst other things the permissibility of deposit-taking activities while the CRD IV Regulation establishes the majority of prudential requirements institutions need to respect.

The CRD IV Regulation entered into force on 1 January 2014. On 1 August 2014, the CRD IV Directive entered into force. The application in full of all measures under CRD IV (including any national implementation thereof in the Netherlands) will have to be completed before 1 January 2019.

CRD IV, in implementing Basel III, is intended to increase the quality and quantity of capital, requires increased capital against derivative positions and introduces a capital conservation buffer, a counter-cyclical buffer, a systemic risk buffer, a new liquidity framework (liquidity coverage ratio and net stable funding ratio) as well as a leverage ratio. The leverage ratio is defined as Tier-1 capital divided by a measure of non-risk weighted assets. The leverage ratio requirement will be phased in with initially a reporting period, a disclosure obligation as of 1 January 2015 and the migration to a binding harmonized requirement on 1 January 2018. If Basel III is followed under CRD IV, the leverage ratio may not fall below 3%, though there is still uncertainty as to the exact percentage and the scope of the leverage ratio under CRD IV. With respect to the percentage, the Dutch government has announced that it wishes to implement a leverage ratio of at least 4% for significant Dutch banks. However, the Issuer is no such significant bank. The ultimate aim of Basel III/CRD IV is to reduce leverage in order to bring institutions' unweighted assets more in line with their Tier-1 capital.

There can be no assurance that, prior to its implementation, the Basel Committee will not amend the package of reforms described above. Further, the European Commission, the ECB, the Netherlands and/or the Dutch Central Bank may implement the package of reforms in a manner that is different from that which is currently envisaged, or may impose additional capital and liquidity requirements on Dutch banks. Additionally, the revised accounting standard IAS 19R may lead to higher volatility in the Issuer's Common Equity Tier I ratio in the future. If the regulatory capital requirements, liquidity restrictions or ratios applied to the Issuer are increased in the future, any failure of the Issuer to maintain such increased capital and liquidity ratios could result in administrative actions or sanctions, which may have an adverse effect on the Issuer's results of operations or financial condition.

#### ***IT and other systems on which the Issuer depends for its day-to-day operations may fail for a variety of reasons that may be outside its control***

The Issuer's operations are highly dependent on IT systems and its ability to process and monitor, on a daily basis, a large number of transactions, some of which are complex. The Issuer's financial, accounting, data processing or other operating systems and facilities may fail to operate properly or may become disabled, which may have an adverse effect on the Issuer's ability to process transactions, provide services or conduct other operations. In addition, other factors which could cause the Issuer's operating systems to fail or not operate properly include a deterioration in the quality of IT development, support and operations processes and, in particular, high turnover of employees, resulting in an inadequate number of personnel to handle the growth and increasing complexity of operations. Despite the Issuer's ongoing expenditures on its IT systems, there can be no assurance that these expenditures will be sufficient or that its IT systems will function as planned. Any disruption in the Issuer's IT or other systems may have a material adverse effect on its business, financial condition or results of operations.

***The Issuer is exposed to risks of damage to its reputation which may cause loss of business and deposit outflows***

The Issuer is exposed to the risk that, among other things, litigation, employee misconduct, operational failures, outcome of current and future investigations by regulatory authorities and press speculation and the possible negative publicity resulting therefrom, whether or not founded, may harm its reputation. The reputation of the Issuer could also be harmed if products or services recommended by it do not perform as expected, for example in relation to endowment mortgage products.

Negative publicity could, for example, be based on allegations that the Issuer does not or does not fully comply with regulatory requirements or anti-money laundering rules, or could result from negative publicity about a third party linked to the Issuer (such as an affiliate, an intermediary or a partner) or about politically exposed persons in the customer base of the Issuer. Furthermore, negative publicity could result from failures in the information technology systems of the Issuer, loss of customer data or confidential information, or failure in risk management procedures. Negative publicity could also, but not exclusively, result from any misconduct or malpractice relating to affiliates, intermediaries, business promoters or third party managers linked to the Issuer.

Any resulting damage to the reputation of the Issuer could cause disproportionate damage to its business, regardless whether the negative publicity is factually accurate. Negative publicity could also be repeated or amplified by third parties, which could damage the reputation of the Issuer further.

Any damage to the reputation of the Issuer could cause existing customers to withdraw their business or deposits from the Issuer and potential customers to be reluctant or elect not to do business or place deposits with the Issuer. Withdrawal of deposits and reluctance to place new deposits may cause illiquidity and/or insolvency which may result in emergency, resolution and/or recovery measures, and/or bankruptcy of the Issuer. Since private banks' customer deposits have proved more confidence-sensitive than retail banks' in the past, the Issuer is particularly vulnerable to this risk in this respect. Furthermore, negative publicity could result in greater regulatory scrutiny and influence market or rating agency perception of the Issuer, which, amongst other factors, may make it more difficult for it to maintain its respective credit rating.

***Deteriorating economic conditions or other factors could result in the further impairment of goodwill and intangible assets, which may adversely affect the Issuer's financial condition or results of operations***

To the extent economic conditions worsen or other factors cause one or more of the Issuer's historic acquisitions for which goodwill was recorded to show increasing signs of impairment, the Issuer may need to record impairment charges relating thereto, and such charges could have a material adverse effect on its financial condition or results of operations.

***Litigation or other proceedings or actions may adversely affect the business, financial condition and results of operations of the Issuer***

The Issuer faces significant legal risks in the conduct of its business. In the Netherlands, the number and size of claims that are the subject of litigation, regulatory proceedings and other adversarial proceedings (including, without limitation, class actions) against financial institutions are increasing, and could further increase if a draft bill is submitted to parliament on Redress of Mass Damages in a Collective Action (*Wet collectieve afwikkeling massaschade*) and enacted. These legal risks could potentially involve, but are not limited to, disputes concerning the products and services in which the Issuer acts as principal, intermediary or otherwise. Increasingly financial institutions are also held liable by customers for actions of intermediaries even if there has been little to no control over the actions of such intermediaries. Also, companies in the Issuer's industry are increasingly exposed to collective claims (with or without merit) from groups of customers or consumer organisations seeking damages for an unspecified or indeterminate amount or involving unprecedented legal claims. These risks are often difficult to assess or to quantify and their existence and magnitude often remain unknown for substantial periods of time. It is inherently difficult to predict the outcome of many of the pending or future claims, regulatory proceedings and other adversarial proceedings involving the Issuer. The costs to defend future actions may be significant. There may also be adverse publicity associated with litigation that could decrease customer acceptance of the Issuer's services, regardless of whether the allegations are valid or whether the Issuer is ultimately found liable. As a result, litigation may adversely affect the Issuer's business, financial condition and results of operations (See also the risk factor *'The Issuer is exposed to risks of damage to its reputation'* and the paragraph *'Litigation'* in the section *'General Information'*).

### ***Additional powers of regulatory authorities***

The Dutch Financial Supervision Act (*Wet op het financieel toezicht* or "**Wft**") contains far-reaching intervention powers for (i) DNB with regard to a bank and (ii) the Dutch Minister of Finance with regard to inter alia a bank. The Wft aims to empower DNB or the Dutch Minister of Finance, as applicable, to: (i) commence proceedings leading to transfer of all or a part of the business (including deposits) of the relevant financial institution to a private sector purchaser or a "bridge bank", (ii) commence proceedings leading to transfer of shares in the relevant financial institution to a private sector purchaser or a "bridge bank", (iii) commence proceedings leading to ownership by the Dutch State (nationalisation) of the relevant financial institution, or also its parent company and expropriation of property and/or securities, and (iv) take immediate measures which may deviate from statutory provisions or from the articles of association of the relevant financial institution. Subject to certain exceptions, as soon as any of these proposed proceedings or measures have been initiated or taken by DNB or the Dutch Minister of Finance, as applicable, the relevant counterparties of such financial institution will not be entitled to invoke acceleration, early termination and other contractual rights, to the extent they are triggered by the preparation or implementation of the measures introduced by the Wft or set off their claims against the relevant financial institution.

It is possible that the Dutch regulator may use its powers in a way that could result in subordinated and/or senior debt instruments of the Issuer absorbing losses. The Wft could also in other ways negatively affect the position of holders of Notes and the credit rating (if any) attached to Notes then outstanding, in particular if and when any of the above proceedings would be commenced against the Issuer. These measures could increase the Issuer's cost of funding and thereby have an adverse impact on the Issuer's financial position and results of operation and could result in losses to, or otherwise affect the rights of, holders of Notes.

### ***Bank Recovery and Resolution Directive and SRM***

The Bank Recovery and Resolution Directive ("**BRRD**") was adopted by the European Council on 6 May 2014. Member States should have implemented the BRRD by 1 January 2015 (except for the bail-in tool which may be implemented by 1 January 2016). On 21 November 2014, a draft legislative proposal to amend, amongst other things, the Wft, was published for consultation, which purports to implement the BRRD and SRM (as defined below). It is, however, at this stage unclear how the BRRD will be implemented in the Netherlands and it remains to be seen if and to what extent the implementation of the BRRD in the Netherlands will set aside the current provisions of the Wft. The Dutch legislator did thus not achieve implementation and entry into force of the legislation by 1 January 2015 as required by the BRRD. The legislator's actual target date for implementation is not yet known, but it is expected that the implementation will occur at the end of 2015.

On 10 July 2013, the European Commission proposed a regulation establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms (the "**SRM Regulation**") in a framework of a single resolution mechanism and a single bank resolution fund (such mechanism, the "**SRM**"). The SRM Regulation was adopted on 15 July 2014.

The SRM establishes a European single resolution board ("**SRB**") (consisting of representatives from the ECB, the European Commission and the relevant national authorities) that will manage (through the national resolution authorities or directly) the failing of any bank in the Euro-area and in other EU Member States participating in the European Banking Union.

It is possible that, given the entering into force of the BRRD or other resolution or recovery rules (such as the SRM Regulation) which may be applicable to the Issuer in the future (including, but not limited to, CRD IV), new powers may be granted by way of statute to DNB and/or any other relevant authority such as the SRB (each, a "**Relevant Authority**") which could be used in such a way that could result in subordinated and/or senior debt instruments of the Issuer absorbing losses ("**Bail-in Tool**").

Under the BRRD, the Bail-in Tool shall give the Relevant Authority the power to write down debt (or to convert such debt into equity) of ailing banks, certain investment firms and their holding companies to strengthen their financial position and allow such institutions to continue as a going concern subject to appropriate recapitalization.

Pursuant to the BRRD, the Relevant Authority is expected to be required to exercise the Bail-in Tool in a way that results in (i) Common Equity Tier 1 instruments being written down first in proportion to the relevant losses, (ii) thereafter, the principal amount of other capital instruments (including Additional Tier 1 instruments and Tier 2 instruments (the Subordinated Notes possibly qualifying as Tier 2 instruments)) being written down or

converted into Common Equity Tier 1 on a permanent basis and (iii) thereafter, the principal amount of subordinated debt (the Subordinated Notes possibly qualifying as such) that do not qualify as Additional Tier 1 instruments or Tier 2 instruments being written down or converted into Common Equity Tier 1 on a permanent basis, and (iv) lastly, the principal amount of the rest of the eligible liabilities (the Notes to the extent not subordinated possibly qualifying as such) being written down or converted into Common Equity Tier 1 on a permanent basis.

The Bail-in Tool will absorb losses at the point of non-viability of the issuing institution. The point of non-viability will be the point at which the Relevant Authority determines an institution meets the conditions for resolution, defined as:

- a) the institution is failing or likely to fail, which means (i) the institution has incurred/is likely to incur in the near future losses depleting all or substantially all its own funds, and/or (ii) the assets are/will be in the near future less than its liabilities, and/or (iii) the institution is/will be in the near future unable to pay its debts as they fall due, and/or (iv) the institution requires extraordinary public financial support;
- b) there is no reasonable prospect that a private action or supervisory action would prevent the failure; and
- c) a resolution action is necessary in the public interest.

Pursuant to the exercise of any Bail-in Tool measures, the Relevant Authority or the Issuer (following instructions from the Relevant Authority) could determine in respect of the Notes, in certain circumstances, that all or part of the principal amount of the Notes, including accrued but unpaid interest in respect thereof, must be written off, converted into own funds or otherwise be applied to absorb losses. The rules and regulations giving effect to such Bail-in Tool are likely to provide that such determination shall not constitute an event of default in respect of the relevant Notes. As a consequence, the Noteholders will have no further claims in respect of any amount so written off or otherwise as a result of such Bail-in Tool. As a consequence, a Noteholder could lose its entire claim on the Issuer resulting from the Notes.

Any determination that all or part of the principal amount of the Notes will be subject to the Bail-in Tool measures may be inherently unpredictable and may depend on a number of factors which may be outside the Issuer's control. Accordingly, trading behaviour in respect of Notes which are subject to the Bail-in Tool is not necessarily expected to follow trading behaviour associated with other types of securities. Any indication that the Notes will become subject to the Bail-in Tool could have an adverse effect on the market price of the relevant Notes. Potential investors should consider the risk that a Noteholder may lose all of its investment in such Notes, including the principal amount plus any accrued but unpaid interest, if those Bail-in Tool measures were to be taken.

The BRRD could negatively affect the position of the Noteholders and the credit rating attached to debt instruments then outstanding and could result in losses to Noteholders, in particular if and when any of the above proceedings would be commenced against the Issuer. These measures could increase the Issuer's cost of funding and thereby have an adverse impact on the Issuer's financial condition and results of operation. In addition, there could be amendments to the BRRD, which may add to these effects.

Pursuant to the BRRD, banks are required to meet at all times a minimum amount of own funds (Common Equity Tier 1 instruments, Additional Tier 1 instruments and Tier 2 instruments) and eligible liabilities ("MREL") expressed as a percentage of the total liabilities and own funds to ensure that the Bail-in Tool is effective. The Relevant Authority shall establish a level of minimum MREL on a bank-by-bank basis based on assessment criteria to be set out in technical regulatory standards. Differences in the application of the assessment criteria would result in similar banks facing different requirements and thus potentially different costs of financing their activities.

In summary, the Issuer is unable to predict what effects, if any, the Dutch law intervention powers, the BRRD and SRM Regulation may have on the financial system generally, the Issuer's counterparties, or on the Issuer, its operations and/or its financial condition or the Notes. The Dutch law intervention powers, the BRRD and the SRM Regulation could negatively affect the position of Noteholders and the credit rating attached to the Notes, in particular if and when any of the above proceedings would be commenced against the Issuer, since the application of any such legislation may affect the rights and effective remedies of the Noteholders as well as the market value of the Notes.

### ***The Financial Stability Board and additional governmental measures***

In addition to the adoption of the laws, regulations and other measures described herein, regulators and lawmakers around the world are actively reviewing the causes of the financial crisis and exploring steps to avoid similar problems in the future. In many respects, this work is being led by the Financial Stability Board ("FSB"), consisting of representatives of national financial authorities of the G20 nations. The G20 and the FSB have issued a series of papers and recommendations intended to produce significant changes in how financial companies, particularly companies that are members of large and complex financial groups, should be regulated. The FSB has developed proposals to enhance the total loss-absorbing capacity ("TLAC") of global systemically important banks in resolution. The FSB proposes minimum TLAC requirements to be set as a percentage of the loss-absorbing capital and debt against the balance sheet (both weighted and unweighted). It is unclear whether the TLAC will become law and, if so, in what form and when. Although TLAC requirements will not be applicable to the Issuer, there is a possibility that future capital and buffer requirements applicable to the Issuer will increase in order to be more in line with how TLAC requirements are set for global systemically important banks.

These proposals address such issues as financial group supervision, capital and solvency standards, systemic economic risk, corporate governance including executive compensation, and a host of related issues associated with responses to the financial crisis. The lawmakers and regulatory authorities in a number of jurisdictions in which the Issuer conducts or may conduct business have already begun introducing legislative and regulatory changes consistent with G20 and FSB recommendations, and not limited to companies that are members of large and complex financial groups but extending to all banks, including proposals governing executive compensation by the financial regulators in the EU (the ECB), the Netherlands (DNB), Germany (BaFIN) and the United Kingdom (FSA).

Furthermore, governments in the Netherlands and abroad have also intervened over the past few years on an unprecedented scale, responding to stresses experienced in the global financial markets.

### ***Financial transaction tax***

On 14 February 2013, the European Commission adopted a proposal setting out the details of the financial transaction tax, which mirrors the scope of its original proposal of September 2011, to be levied on transactions in financial instruments by financial institutions if at least one of the parties to the transaction is located in the 'FTT-zone', currently limited to 11 participating Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain). A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State. The proposal was approved by the European Parliament in July 2013.

The European Commission expects the financial transaction tax to be implemented by 1 January 2016 at the latest, which would then require the financial institutions and certain other parties to pay tax on transactions in financial instruments with parties (including, with respect to the EU-wide proposal, its affiliates) located in such FTT-zone. The actual implementation date would depend on the future approval of the European Council and consultation of other EU institutions, and the subsequent transposition into local law.

The proposed financial transaction tax has a very broad scope. It is a tax on derivatives (such as hedging activities) as well as on securities transactions, i.e. it applies to trading in instruments such as shares and bonds, such as Notes. This entails that the financial transaction tax could, if introduced in its current form, apply to certain trading in the Notes. The initial issue of instruments such as shares and bonds is exempt from financial transaction tax in the current proposal. This entails that the issuance and subscription of the Notes should be exempt. The rate for financial instruments is a minimum of 0.1% of the purchase price (or market value if greater). However, the effective rate will be higher - each financial institution party is separately liable for the tax, so transactions between two financial parties will be taxed twice.

The introduction of, and changes to, taxes, levies or fees applicable to Issuer's operations (such as the imposition of a financial transaction tax) could have an adverse effect on its business and/or results of operations.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of continuing legal challenge. It may therefore be altered prior to any implementation, the timing of which remains

unclear, although it has been indicated that first steps will be implemented by 1 January 2016 at the latest. Additional EU Member States may decide to participate. Given the lack of certainty surrounding the proposals and their implementation, it is not possible to predict what affect the proposed FTT might have on the business of the Issuer; it could materially adversely affect the business of the Issuer. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT. Investors who are in doubt as to their position should consult their professional advisor.

***Interest rate volatility and other interest rate changes may adversely affect the Issuer's profitability***

Changes in prevailing interest rates may negatively affect the Issuer's business including the level of net interest revenue the Issuer earns, and for its banking business the levels of deposits and the demand for loans. In a period of changing interest rates, interest expense may increase at different rates than the interest earned on assets. Accordingly, changes in interest rates could decrease net interest revenue. Central banks around the world, including the European Central Bank, the Bank of England, the Bank of Japan, the Bank of Australia, the Central Bank of Brazil and the Central Bank of China, followed the actions of the Federal Reserve to lower interest rates in 2012, in response to concerns about Europe's sovereign debt crisis and slowing global economic growth. Changes in the interest rates may negatively affect the value of the Issuer's assets and its ability to realise gains or avoid losses from the sale of those assets, all of which also ultimately affect earnings.

Declining interest rates may result in:

- lower investment earnings because the interest earnings on the Issuer's fixed income investments could decline in parallel with market interest rates on its assets; and
- lower profitability since the Issuer may not be able to fully track the decline in interest rates in its savings rate.

***Risk associated with Compensation Schemes***

In the Netherlands and other jurisdictions deposit guarantee schemes and similar funds ("**Compensation Schemes**") have been implemented from which compensation may become payable to customers of financial services firms in the event the financial service firm is unable to pay, or unlikely to pay, claims against it. In many jurisdictions these Compensation Schemes are funded, directly or indirectly, by financial services firms which operate and/or are licensed in the relevant jurisdiction. As a result of the increased number of bank failures, in particular since the fall of 2008, the Issuer expects that levies in the industry will continue to rise as a result of the Compensation Schemes. In particular, the Issuer is a participant in the Dutch Deposit Guarantee Scheme (*Depositogarantiestelsel*, the "**Deposit Guarantee Scheme**"), which guarantees an amount of EUR 100,000 per person per bank (regardless of the number of accounts held). The costs involved with making compensation payments under the Deposit Guarantee Scheme are allocated among the participating banks by DNB, based on an allocation key related to their market shares with respect to the deposits protected by the Deposit Guarantee Scheme. The ultimate costs to the industry of payments which may become due under the Compensation Schemes remain uncertain although they may be significant and the associated costs to the Issuer may have a material adverse effect on its results of operations and financial condition. As of 1 July 2015, the Deposit Guarantee Scheme will change from an ex-post scheme, where the Issuer contributes after the failure of a firm, to an ex-ante scheme where the Issuer and other financial institutions will pay risk-weighted contributions into a fund to cover future drawings under the Deposit Guarantee Scheme. The fund is expected to grow to a target size of 1% of all deposits guaranteed under the Deposit Guarantee Scheme, approximately EUR 4 billion at present. The target size should be reached in 15 years. The costs associated with potential future ex-ante contributions may vary from time to time, and will depend on the methodology used to calculate risk-weighting, but may be significant.

***The Issuer may be unable to manage its risks successfully through derivatives***

The Issuer employs various economic hedging strategies with the objective of mitigating the market risks that are inherent in its business and operations. These risks may include currency fluctuations, changes in the fair value of its investments, the impact of interest rates, equity markets, credit spread changes and the occurrence of credit defaults. The Issuer seeks to control these risks by, among other things, entering into a number of derivative instruments, such as swaps, options, futures and forward contracts including from time to time macro hedges for parts of its business, either directly as a counterparty or as a credit support provider to affiliate parties.

Developing an effective strategy for dealing with these risks is complex, and no strategy can completely insulate the Issuer from risks associated with those fluctuations. The Issuer's hedging strategies also rely on assumptions and projections regarding its assets, liabilities, general market factors and the creditworthiness of its counterparties that may prove to be incorrect or prove to be inadequate. Accordingly, the Issuer's hedging activities may not have the desired beneficial impact on its results of operations or financial condition. Poorly designed strategies or improperly executed transactions could actually increase its risks and losses. Hedging instruments used by the Issuer to manage product and other risks might not perform as intended or expected, which could result in higher (un)realised losses such as credit value adjustment risks or unexpected profit and loss effects, and unanticipated cash needs to collateralise or settle such transactions. Adverse market conditions can limit the availability and increase the costs of hedging instruments, and such costs may not be recovered in the pricing of the underlying products being hedged. In addition, hedging counterparties may fail to perform their obligations resulting in unhedged exposures and losses on positions that are not collateralised. As such, the Issuer's hedging strategies involve transaction costs and other costs, and if the Issuer terminates a hedging arrangement, it may also be required to pay additional costs, such as transaction fees or breakage costs. It is possible that there will be periods in the future, during which the Issuer has incurred or may incur losses on transactions, perhaps significant, after taking into account the Issuer's hedging strategies. Further, the nature and timing of the Issuer's hedging transactions could actually increase its risk and losses. In addition, hedging strategies involve transaction costs and other costs. The Issuer's hedging strategies and the derivatives that the Issuer uses and may use may not adequately mitigate or offset the risk of interest rate volatility, and its hedging transactions may result in losses.

The Issuer's hedging strategy additionally relies on the assumption that hedging counterparties remain able and willing to provide the hedges required by its strategy. Increased regulation, market shocks, worsening market conditions (whether due to the ongoing Euro crisis or otherwise), and/or other factors that affect or are perceived to affect the financial condition, liquidity and creditworthiness of the Issuer may reduce the ability and/or willingness of such counterparties to engage in hedging contracts with it and/or other parties, affecting the Issuer's overall ability to hedge its risks and adversely affecting its business, financial condition, results of operations, liquidity and/or prospects.

***The Issuer may be unable to retain key personnel***

The success of the Issuer's operations is dependent, among other things, on the Issuer's ability to attract and retain highly qualified professional personnel. The Issuer's ability to attract and retain key personnel is dependent on a number of factors, including prevailing market conditions and compensation packages offered by companies competing for the same talent.

As a part of the responses of the European Commission and governments throughout Europe to the financial crisis in 2008, there have been and will be various legislative initiatives, including those set out in Directive 2010/76/EU ("**CRD III**"), the Guidelines on Remuneration Policies and Practices published by (the predecessor of) the European Banking Authority ("**EBA**") and the Regulation of DNB on Sound Remuneration Policies (*Regeling beheerst beloningsbeleid Wft 2014*), the Act prohibiting the payment of variable remuneration to board members and day-to-day policy makers of financial institutions that receive state aid (*Wet bonusverbod staatsgesteunde ondernemingen*) and the Dutch Act on remuneration policy for financial enterprises (*Wet Beloningsbeleid financiële ondernemingen*, including a 20%-bonus cap), to ensure that financial institutions' remuneration policies and practices are consistent with and promote sound and effective risk management, and that impose restrictions on the remuneration of personnel, with a focus on risk alignment of performance-related remuneration. These restrictions have had and will have an impact on the Issuer's existing remuneration policies and individual remuneration packages of personnel.

These restrictions, alone or in combination with the other factors described above, could adversely affect the Issuer's ability to retain or attract qualified employees.

***The Issuer's risk management policies and guidelines may prove inadequate for the risks it faces***

The Issuer has developed risk management policies and procedures and the Issuer expects to continue to do so in the future. Nonetheless, the Issuer's policies and procedures to identify, monitor and manage risks may not be fully effective, particularly during extremely turbulent times. The methods the Issuer uses to manage, estimate and measure risk are partly based on historic market behaviour. The methods may, therefore, prove to be inadequate for predicting future risk exposure, which may be significantly greater than what is suggested by historic experience. For instance, these methods may not predict the losses seen in the stressed conditions in recent periods, and may also not adequately allow prediction of circumstances arising due to the government

interventions, stimulus and/or austerity packages, which increase the difficulty of evaluating risks. Other methods for risk management are based on evaluation of information regarding markets, clients or other information that is publicly known or otherwise available to the Issuer. Such information may not always be correct, complete, updated or correctly evaluated.

***Because the Issuer is continuously developing new financial products and entering into financial transactions, it might be faced with claims that could have an adverse effect on its operations and net result if clients' expectations are not met***

If new financial products are brought to the market, communication and marketing aims to present a balanced view of the product (however there is a focus on potential advantages for the clients). Whilst the Issuer engages in a due diligence process when it develops financial products and enters into financial transactions, if such products or transactions do not generate the expected profit for the Issuer's clients, or result in a loss, or otherwise do not meet expectations, clients may file mis-selling claims against the Issuer. Mis-selling claims are claims from clients who allege that they have received misleading advice or other information from either the Issuer's internal, affiliated or external advisors (even though the Issuer does not always have full control over the affiliated or external advisors). Complaints may also arise if clients feel that they have not been treated reasonably or fairly, or that the duty of care has not been complied with. While a considerable amount of time and money has been invested in reviewing and assessing historic sales and "know your customer" practices, and in the maintenance of risk management, legal and compliance procedures to monitor current sales practices, there can be no assurance that all of the issues associated with current and historic sales practices have been or will be identified, nor that any issues already identified will not be more widespread than presently estimated. The negative publicity associated with any sales practices, any compensation payable in respect of any such issues and/or regulatory changes resulting from such issues could have a material adverse effect on the Issuer's reputation, operations and net result. See also risk factor below *'The Issuer's business may be negatively affected by adverse publicity, regulatory actions or litigation with respect to such business, other well-known companies or the financial services industry in general'*.

Customer protection regulations as well as changes in interpretation and perception by both the public at large and governmental authorities of acceptable market practices might influence client expectations.

***Because the Issuer does business with many counterparties, the inability of these counterparties to meet their financial obligations could have a material adverse effect on its results of operations***

Third parties that owe the Issuer money, securities or other assets may not pay or perform under their obligations. These parties include the issuers and guarantors (including sovereigns) of securities the Issuer holds, borrowers under loans originated, clients, trading counterparties, counterparties under swaps, credit default and other derivative contracts, clearing agents, exchanges, clearing houses, securities depositaries and other financial intermediaries. Severe distress or defaults by one or more of these parties on their obligations to the Issuer due to fraud, bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure, etc., or even rumours about potential severe distress or defaults by one or more of these parties or regarding the financial services industry generally, could lead to losses for the Issuer, and defaults by other institutions. In light of experiences with significant constraints on liquidity and high cost of funds in the interbank lending market, and given the high level of interdependence between financial institutions, the Issuer is and will continue to be subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of sovereigns and other financial services institutions.

The Issuer routinely executes a high volume of transactions with counterparties in the financial services industry, resulting in large daily settlement amounts and significant credit and counterparty exposure. As a result, the Issuer faces concentration risk with respect to specific counterparties and clients. The Issuer is exposed to increased counterparty risk as a result of recent financial institution failures and weakness and will continue to be exposed to the risk of loss if counterparty financial institutions fail or are otherwise unable to meet their obligations. A default by, or even concerns about the creditworthiness of, one or more financial services institutions could therefore lead to further significant systemic liquidity problems, or losses or defaults by other financial institutions.

With respect to secured transactions, the Issuer's credit risk may be exacerbated when the collateral held by the Issuer cannot be realised, or is liquidated at prices not sufficient to recover the full amount of the relevant secured loan or secured derivative. The Issuer has credit and counterparty exposure to a number of financial institutions.



In addition, the Issuer is subject to the risk that its rights against third parties may not be enforceable in all circumstances. The deterioration or perceived deterioration in the credit quality of third parties whose securities or obligations the Issuer holds could result in losses and/or adversely affect its ability to re-hypothecate or otherwise use those securities or obligations for liquidity purposes. A significant downgrade in the credit ratings of the Issuer's counterparties could also have a negative impact on its income and risk weighting, leading to increased capital requirements.

While in many cases the Issuer is permitted to require additional collateral from counterparties that experience financial difficulty, disputes may arise as to the amount of collateral it is entitled to receive and the value of pledged assets. The Issuer's credit risk may also be exacerbated when the collateral it holds cannot be realised or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure that is due to the Issuer, which is most likely to occur during periods of illiquidity and depressed asset valuations, such as those experienced during the recent financial crisis. The termination of contracts and the foreclosure on collateral may subject the Issuer to claims for the improper exercise of its rights under such contracts. Bankruptcies, downgrades and disputes with counterparties as to the valuation of collateral tend to increase in times of market stress and illiquidity.

Any of these developments or losses could materially and adversely affect the Issuer's business, financial condition, results of operations, liquidity and/or prospects.

***Ratings are important to the Issuer's business for a number of reasons. Downgrades could have an adverse impact on its operations and net results***

Credit ratings represent the opinions of rating agencies regarding an entity's ability to repay its indebtedness. The Issuer's credit ratings are important to its ability to raise capital through the issuance of debt instruments and to the cost of such financing. In the event of a downgrade the cost of issuing debt will increase, having an adverse effect on net results. Certain institutional investors may also be obliged to withdraw their deposits or investments in such debt instruments from the Issuer following a downgrade, which could have an adverse effect on liquidity. The Issuer has credit ratings from S&P and Fitch. Each of the rating agencies reviews its ratings and rating methodologies on a recurring basis and may decide on a downgrade at any time.

Furthermore, the Issuer's assets are risk weighted. Downgrades of these assets could result in a higher risk weighting which may result in higher capital requirements. This may impact net earnings and the return on capital, and may have an adverse impact on the Issuer's competitive position.

As rating agencies continue to evaluate the financial services industry, it is possible that rating agencies will heighten the level of scrutiny that they apply to financial institutions, increase the frequency and scope of their credit reviews, request additional information from the companies that they rate and potentially adjust upward the capital and other requirements employed in the rating agency models for maintenance of certain ratings levels. It is possible that the outcome of any such review of the Issuer would have additional adverse ratings consequences, which could have a material adverse effect on the Issuer's results of operations, financial condition and liquidity. The Issuer may need to take actions in response to changing standards set by any of the rating agencies which could cause its business and operations to suffer. The Issuer cannot predict what additional actions rating agencies may take, or what actions the Issuer may take in response to the actions of rating agencies. A downgrade of the Issuer could result in a downgrade of the Notes, if such Notes are rated.

***The Issuer's business may be negatively affected by a sustained increase in inflation***

A sustained increase in the inflation rate in the Issuer's principal markets would have multiple impacts on the Issuer and may negatively affect its business, solvency position and results of operations. For example, a sustained increase in the inflation rate may result in an increase in market interest rates which may:

1. decrease the estimated fair value of certain fixed income securities the Issuer holds in its investment portfolios resulting in:
  - reduced levels of unrealised capital gains available to it which could negatively impact its solvency position and net income; and/or
  - a decrease of collateral values; and/or

2. require the Issuer, as an issuer of securities, to pay higher interest rates on debt securities it issues in the financial markets from time to time to finance its operations which would increase its interest expenses and reduce its results of operations.

A significant and sustained increase in inflation has historically also been associated with decreased prices for equity securities and sluggish performance of equity markets generally. A sustained decline in equity markets may:

1. result in impairment charges to equity securities that the Issuer holds in its investment portfolios and reduced levels of unrealised capital gains available to it which would reduce its net income and negatively impact its solvency position; and/or
2. negatively impact the ability of the Issuer's asset management activities to retain and attract assets under management, as well as the value of assets they do manage, which may negatively impact their results of operations.

***The Issuer's business may be negatively affected by adverse publicity, regulatory actions or litigation with respect to such business, other well-known companies or the financial services industry in general***

Adverse publicity and damage to the Issuer's reputation arising from its failure or perceived failure to comply with legal and regulatory requirements, financial reporting irregularities involving other large and well-known companies, increasing regulatory and law enforcement scrutiny of "know your customer", anti-money laundering, prohibited transactions with countries subject to sanctions, and anti-bribery or other anti-corruption measures and anti-terrorist-financing procedures and their effectiveness, regulatory investigations of the financial services industry, and litigation that arises from the failure or perceived failure by the Issuer to comply with legal, regulatory and compliance requirements, could result in adverse publicity and reputation harm, lead to increased regulatory supervision, affect the Issuer's ability to attract and retain clients, reduced access to the capital markets, result in cease and desist orders, suits, enforcement actions, fines and civil and criminal penalties, other disciplinary action or have other material adverse effects on the Issuer in ways that are not predictable.

The above factors may have an adverse effect on the Issuer's financial condition and/or results of operations.

**FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH THE NOTES**

**Risks related to the market generally**

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

***Liquidity risks in the secondary market***

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Liquidity could be affected by a number of factors, including the introduction of a financial transactions tax. Investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes will generally have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

The secondary markets may experience severe disruptions resulting from reduced investor demand for securities such as the Notes and increased investor yield requirements for those securities. As a result, the secondary market for securities such as the Notes may experience limited liquidity or a secondary market may not develop at all. These conditions and their adverse effects may vary in the future.

Limited liquidity in the secondary market for securities has had a severe adverse effect on the market value of securities. Limited liquidity in the secondary market may continue to have a severe adverse effect on the market value of securities, especially those securities that are more sensitive to currency, credit or interest rate risk and

those securities that have been structured to meet the investment requirements of limited categories of investors. Consequently, an investor in the Notes may not be able to sell its Notes readily. The market values of the Notes are likely to fluctuate and may be difficult to determine. Any of these fluctuations may be significant and could result in significant losses to such investor.

***Exchange rate risks and exchange controls***

The Issuer will pay principal and interest on the Notes in the currency specified in the applicable Final Terms (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may change significantly (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls (such as, but not limited to, requirements concerning the transfer or conversion of assets held in a specific state) that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***Interest rate risks***

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

***Credit rating risks***

Credit or corporate ratings may not reflect all risks and the methodologies of determining credit ratings may be changed from time to time leading to potential downgrades. One or more independent rating agencies may assign ratings to the Notes and/or the Issuer. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this paragraph, and other factors that may affect the value of the Notes or the standing of the Issuer. A credit rating and/or a corporate rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn by the relevant rating agency if, in its judgment, circumstances in the future so warrant.

Such change may, among other factors, be due to a change in the methodology applied by a rating agency to rating securities with similar structures to the Notes, as opposed to any revaluation of the Issuer's financial strength or other factors such as conditions affecting the financial services industry generally. Noteholders and prospective investors should be aware that such a change in the methodology of a rating agency could result in certain series of Notes being downgraded, potentially to noninvestment grade (if the relevant Notes are issued before the new methodology is applied by a rating agency to such Notes) or receiving a lower rating than that is currently or at the time of the offering of the relevant Notes expected from that rating agency (if the relevant Notes are issued after the new methodology is applied by that rating agency to such Notes). In addition, a downgrading of the Issuer's credit ratings, as a result of a change in rating methodology or otherwise, could adversely affect the Issuer's access to liquidity alternatives and its competitive position, and could increase the cost of funding or trigger additional collateral requirements all of which could have a material adverse effect on the Issuer's results of operations.

In the event that a rating assigned to the Notes or the Issuer is subsequently lowered for any reason, the market value of the Notes is likely to be adversely affected, but no person or entity is obliged to provide any additional support or credit enhancement with respect to the Notes.

**Risks related to the structure of a particular issue of Notes**

A wide range of Notes may be issued. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common of such features.

***Notes subject to optional redemption by the Issuer***

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes or the perceived likelihood of its ability to redeem is increased, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

***The Issuer's obligations under Subordinated Notes are subordinated***

The Issuer may issue Notes which are subordinated to the extent described in Condition 3 (*Status and Characteristics relating to Subordinated Notes*) of the Terms and Conditions. Any such Subordinated Notes constitute unsecured and subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and with all other present and future unsecured and subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law or those subordinated obligations expressed by their terms to be subordinated to the Subordinated Notes.

As a result, in the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium (as defined in Condition 3 (*Status and Characteristics relating to Subordinated Notes*)) of the Terms and Conditions with respect to the Issuer, the claims of holders of Subordinated Notes ("**Subordinated Noteholders**") against the Issuer will be subordinated to (a) the claims of depositors, (b) unsubordinated claims with respect to the repayment of borrowed money and (c) other unsubordinated claims. By virtue of such subordination, payments to a Subordinated Noteholder will, in the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium with respect to the Issuer, only be made after, and any set-off by a Subordinated Noteholder shall be excluded until, all obligations of the Issuer resulting from deposits, unsubordinated claims with respect to the repayment of borrowed money and other unsubordinated claims have been satisfied.

A Subordinated Noteholder may therefore recover less than the holders of deposit liabilities or the holders of other unsubordinated liabilities of the Issuer. Furthermore, the Conditions do not limit the amount of the liabilities ranking senior to any Subordinated Notes which may be incurred or assumed by the Issuer from time to time, whether before or after the issue date of the relevant Subordinated Notes.

Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that an investor in Subordinated Notes will lose all or some of his investment should the Issuer become insolvent. See also the risk factor under '*Redemption risk in respect of Subordinated Notes*'.

***Limited rights in respect of Tier 2 Notes***

The rights of Tier 2 Notes (as defined in the Terms and Conditions) are limited in certain respects. In particular, (i) redemption pursuant to Conditions 7(b) (*Redemption for Tax Reasons*), 7(c) (*Redemption at the Option of the Issuer (Issuer Call Option)*) and 7(n) (*Redemption for regulatory reasons of Subordinated Notes*) of the Terms and Conditions may only be effected after the Issuer has obtained the written consent of the Relevant Regulator, and (ii) the Issuer may be required to obtain the prior written consent of the Relevant Regulator before effecting any repayment of Tier 2 Notes following an Event of Default. See Condition 10 (*Events of Default*) of the Terms and Conditions.

"**Relevant Regulator**" means DNB and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer, as determined by the Issuer.

***Redemption risk in respect of Subordinated Notes (including Tier 2 Notes)***

The Issuer may redeem the relevant Subordinated Notes at the amount and on the date(s) specified in the applicable Final Terms if (i) the applicable Final Terms in respect of Subordinated Notes indicate that such Subordinated Notes are redeemable at the option of the Issuer and, in respect of Tier 2 Notes, the Relevant Regulator has determined that the whole but not in part of the outstanding nominal amount of the relevant Subordinated Notes (as specified in the applicable Final Terms) should be fully excluded from qualifying as Tier

2 capital of the Issuer for the purposes of the Applicable Capital Adequacy Regulations applicable to it at the relevant time (other than the Applicable Capital Adequacy Regulations in force on the issue date of the relevant Subordinated Notes) and (ii) the Issuer has notified the holders of the relevant Subordinated Notes accordingly. Redemption of Tier 2 Notes is subject to (i) the Issuer demonstrating to the satisfaction of the Relevant Regulator that the regulatory reclassification of those instruments was not reasonably foreseeable at the relevant issue date, (ii) the prior consent of the Relevant Regulator provided that at the relevant time such consent is required, and (iii) upon giving not less than 30 nor more than 60 days' irrevocable notice.

An optional redemption feature of Subordinated Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Subordinated Notes or the perceived likelihood of its ability to redeem is increased, the market value of those Subordinated Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

**"Applicable Capital Adequacy Regulations"** means (i) the capital adequacy regulations or any other regulatory capital rules applicable to the Issuer from time to time pursuant to Dutch law and/or the laws of any other relevant jurisdiction and which lay down the requirements to be satisfied by financial instruments to qualify as regulatory capital (or any equivalent terminology employed by the then Applicable Capital Adequacy Regulations) and/or (ii) regulatory rules relating to the technical facilities and/or statutory liquidity requirements or any other capital adequacy regulations applicable to the Issuer from time to time pursuant to Dutch law and/or the laws of any other relevant jurisdiction, each as applied and construed by the Dutch Central Bank or other relevant supervisory authority and applicable to the Issuer.

***No limitation to issue senior or pari passu ranking Notes***

The Conditions of the Notes do not restrict the amount of securities which the Issuer may issue and which rank senior or *pari passu* in priority of payments with the Subordinated Notes. The issue of any such securities may reduce the amount recoverable by Subordinated Noteholders on a winding-up of the Issuer. Accordingly, in the winding-up of the Issuer and after payment of the claims of senior creditors and of depositors, there may not be a sufficient amount to satisfy the amounts owing to the Subordinated Noteholders.

***Fixed/Floating Rate Notes***

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

***The interest rate on Fixed Rate Reset Notes will reset on each Reset Date, which can be expected to affect future interest payments on an investment in Fixed Rate Reset Notes and could affect the market value of Fixed Rate Reset Notes.***

Fixed Rate Reset Notes will initially bear interest at the Initial Interest Rate until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of the applicable Mid-Swap Rate and the Reset Margin as determined by the Calculation Agent on the relevant Reset Determination Date (each such interest rate, a **Subsequent Reset Rate**). The Subsequent Reset Rate for any Reset Period could be less than the Initial Interest Rate or the Subsequent Reset Rate for prior Reset Periods and could affect the market value of an investment in the Fixed Rate Reset Notes.

***Partly Paid Notes***

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investment in the Note under which such investor so failed to pay.

***Inverse Floating Rate Notes***

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other

conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

***Notes issued at a substantial discount or premium***

The market values of securities issued at a substantial discount or premium from their principal amount, such as Zero Coupon Notes, tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

***Other potential conflicts of interest***

Where the Issuer acts as Calculation Agent or the Calculation Agent is an Affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Notes that may influence the amount receivable or specified assets deliverable on redemption of the Notes.

The Issuer and/or any of its Affiliates may have existing or future business relationships and will pursue actions and take steps that they or it deems necessary or appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Noteholder.

**Risks related to Notes generally**

***The Notes may not be a suitable investment for all investors***

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus and any applicable supplement hereto;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential Investor's Currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets (including the risks associated therewith) as such investor is more vulnerable to any fluctuations in the financial markets generally; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A prospective investor should conduct its own thorough analysis (including its own accounting, financial, legal and tax analysis) prior to deciding whether to invest in the Notes. Any evaluation of the suitability for an investor of an investment in the Notes depends upon a prospective investor's particular financial and other circumstances, as well as on the specific terms of the Notes. If a prospective investor does not have experience in financial, business and investment matters sufficient to permit it to make such a determination, the investor should consult with its authorised and suitable financial adviser prior to deciding to make an investment as to the suitability of the Notes.

***Modification, waivers and substitution***

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders

including Noteholders who did not attend and/or vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes may be amended by the Agent and Issuer (a) for the purposes of curing any ambiguity, or for curing, correcting or supplementing any defective provision contained therein, (b) in any manner which the Issuer may deem necessary or desirable and which shall not materially adversely affect the interests of the holders of the Notes, Receipts and Coupons (as defined in the Terms and Conditions of the Notes), (c) for the purpose of correcting any manifest error, or (d) if the amendment or modification is of a formal, minor or technical nature or is made to comply with mandatory provisions of the laws of the Netherlands, in each case, without the consent of the holders of the Notes, Receipts and Coupons. The Terms and Conditions of the Notes also provide for the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 17 of the Notes.

### ***EU Savings Directive***

Under the European Union Directive on the taxation of savings income (Council Directive 2003/48/EC, the "**EU Savings Directive**"), each Member State is required to provide to the tax authorities of another Member State details of certain payments of interest or other similar income paid by a person within its jurisdiction to, or secured by such a person for, an individual resident in that other Member State.

On 24 March 2014, the EU Savings Directive has been amended by the Council Directive 2014/48/EU (the "**Amending Savings Directive**"). The Amending Savings Directive broadens the scope of the requirements described above. Member States have until 1 January 2016 to adopt the national legislation necessary to comply with the Amending Savings Directive. The Amending Savings Directive will apply from 1 January 2017. The changes will expand the range of payments covered by the EU Savings Directive, in particular to include additional types of income payable on securities. The Amending Savings Directive will also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported. This approach will apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

For a transitional period, Austria is required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments, deducting tax at a rate of 35%. The changes referred to above will broaden the types of payments subject to withholding in those Member States which still operate a withholding system when they are implemented.

The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries.

A number of non-EU countries, and certain dependent or associated territories of certain Member States, have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information arrangements or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

On 18 March 2015, the European Commission presented a tax transparency package ("**Tax Transparency Package**"). The Tax Transparency Package also contains a proposal for a Council Directive repealing the EU Savings Directive (the "**Proposed Council Directive**"). The Proposed Council Directive strongly relates to Council Directive 2014/107/EU amending Council Directive 2011/16/EU on the mandatory automatic exchange of information ("**Amending Directive on Administrative Cooperation**").

The Amending Directive on Administrative Cooperation provides for mandatory automatic exchange of information to a full range of income, including the automatic exchange of financial account information, in accordance with the Global Standard released by the OECD Council in July 2014. The Amending Directive on Administrative Cooperation includes the requirement to automatically exchange information relating to savings-related income, but is generally broader in scope than the EU Savings Directive (which provides for the exchange of information requirements relating to savings income only) and provides that in cases of overlap of scope, the Amending Directive on Administrative Cooperation prevails. In order to avoid dual reporting obligations, it has been proposed to repeal the EU Savings Directive.

Member States must adopt and publish laws, regulations and administrative provisions necessary to comply with the Amending Directive on Administrative Cooperation by 31 December 2015. They are required to apply these provisions from 1 January 2016 and to start to exchange information by September 2017. If the Proposed Council Directive will be adopted, the EU Savings Directive will be repealed with effect from 1 January 2016 and the Amending Directive would no longer have to be transposed. However, for a transitional period, certain obligations under the EU Savings Directive shall continue to apply.

#### ***Tax consequences of holding the Notes***

Any potential investor should consult its own independent tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes in its particular circumstances. See also the sections '*Netherlands Taxation*' and '*Belgium Taxation*'.

#### ***Notes held in global form***

In relation to any issue of Notes which have a denomination of €100,000 (in such case defined as the minimum "**Specified Denomination**") plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €100,000 (or its equivalent in any other currency) that are not integral multiples of €100,000 (or its equivalent in any other currency). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination (a "**Stub Amount**") may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination. As long as the Stub Amount is held in the relevant settlement system, the Noteholder will be unable to transfer this Stub Amount.

Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands and/or any other applicable settlement institution, as the case may be. Delivery (*uitlevering*) of definitive Notes represented by a Global Note deposited with Euroclear Netherlands shall only be possible in the limited circumstances as described in the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*, "**Wge**") (as amended from time to time) and such delivery will be made in accordance with the Wge and the rules and regulations of Euroclear Netherlands.

#### ***Notes in New Global Note form***

The New Global Note ("**NGN**") form has been introduced to allow for the possibility of debt instruments being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the euro (the "**Eurosystem**") and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. However, in any particular case, such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time. Investors should make their own assessment as to whether the Notes meet such Eurosystem eligibility criteria.

#### ***Legal investment considerations may restrict certain investments***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

#### ***Change of law***

The conditions of the Notes are based on Dutch law in effect at the date of the Prospectus, as supplemented. No assurance can be given as to the impact of any possible judicial decision or change to Dutch, European or any other applicable laws, regulations or administrative practices as the date of the Prospectus. Such changes in laws may include, but are not limited to, the introduction of a variety of statutory resolution and loss-absorption tools which may affect the rights of holders of securities issued by the Issuer, including the Notes. Such tools may include the ability to write off sums otherwise payable on such securities at a time when the Issuer is no longer considered viable by its regulator or upon the occurrence of another trigger. See also the risk factor entitled '*Bank Recovery and Resolution Directive and SRM*'.



### ***Jurisdiction***

Prospective investors should note that the courts of the Netherlands shall have jurisdiction in respect of any disputes involving any Series of Notes. Noteholders may take any suit, action or proceedings arising out of or in connection with the Notes against the Issuer in any court of competent jurisdiction. The laws of the Netherlands may be materially different from the equivalent law in the home jurisdiction of prospective investors in its application to the Notes and the application of the laws of the Netherlands may therefore lead to a different interpretation of, amongst others, the Terms and Conditions of the Notes than the investor may expect if the equivalent law of his home jurisdiction were applied.

***In certain circumstances, the Issuer and the Noteholders may be subject to US withholding tax under FATCA*** Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") impose a new reporting regime and, potentially, a 30% withholding tax with respect to certain payments made to persons that fail to meet certain certification or reporting requirements, including certain investors that do not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "reportable account" (a "**Recalcitrant Holder**") of the relevant non-U.S. financial institution ("**FFI**").

Under FATCA, withholding is required with respect to withholdable payments to persons that are not compliant with FATCA or that do not provide the necessary information, consents or documentation made on or after (i) 1 July 2014 in respect of certain U.S. source payments, (ii) 1 January 2017, in respect of payments of gross proceeds (including principal repayments) on certain assets that produce U.S. source interest or dividends and (iii) 1 January 2017 (at the earliest) in respect of "foreign pass-through payments" and then, for "obligations" that are not treated as equity for U.S. federal income tax purposes, only on such obligations that are issued or materially modified after the date that is six months after the date on which the final regulations defining the term "foreign pass thru payments" are filed with the federal register.

The application of FATCA to interest, principal or other amounts paid with respect to the Notes and the information reporting obligations of the Issuer and other entities in the payment chain is still developing. In particular, The Netherlands entered into an intergovernmental agreement (an "**IGA**") with the United States on 18 December 2013 (the "**U.S.-Netherlands IGA**"), which modifies the way in which FATCA applies to certain entities organized in The Netherlands. The U.S.-Netherlands IGA is based on the "Model 1" IGA. Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "Reporting FI" not subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would generally not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being "**FATCA Withholding**") from payments it makes. The Model 1 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold on foreign pass thru payments and payments that it makes to Recalcitrant Holders. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the internal revenue service, as applicable.

The obligations of the Issuer under the IGA include obtaining information from its account holders, which may include investors in the Notes. Certain investors that do not provide to the Issuer the information required under FATCA to establish that the investor is eligible to receive payments free of FATCA withholding may be subject to 30% U.S. withholding on certain payments it receives in respect of the Notes.

If an amount in respect of U.S. withholding tax were to be deducted or withheld either from amounts due to the Issuer or from interest, principal or other payments made in respect of the Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

An investor may be able to obtain a credit for or refund of any amounts withheld under these rules, provided the required information is timely furnished to the IRS. An investor that is an FFI generally will be able to obtain a refund only to the extent an applicable income tax treaty with the United States entitles such institution to a reduced rate of tax on the payment that was subject to withholding under these rules. Investors generally will not be entitled to interest from the IRS for the period prior to the refund. It is not entirely clear how income tax treaty exemptions apply to withholding on payments of principal or gross proceeds recognised on the sale or other disposition of Notes.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

**EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.**

## IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties has been accurately reproduced and does not omit anything likely which would render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly.

Application may be made for certain series of Notes to be listed on Euronext in Amsterdam and/or the Luxembourg Stock Exchange (after a Notification has been provided to the CSSF). Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to any Tranche (as defined below) of Notes will be set forth in the final terms (the "**Final Terms**") relating to such Tranche which will be filed with the AFM if required under the Prospectus Directive and, if required, will be delivered to Euronext Amsterdam, the Luxembourg Stock Exchange or any other stock exchange, and filed with the relevant competent authorities together with an issue specific summary (if relevant), on or before the date of issue of the Notes of such Tranche.

The AFM has approved this Base Prospectus in connection with the issue by the Issuer of Notes which are:

- (a) offered to the public in the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, whether or not such Notes are listed and admitted to trading on any platform; or
- (b) admitted to trading on any one or more regulated markets as defined under Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments, as amended, and as implemented in applicable law.

The Notes may be issued in any denominations as agreed between the Issuer and the relevant Dealer(s).

The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any regulated market in the European Economic Area and, where such Notes are, in addition, issued with a minimum denomination of at least EUR 100,000 (or its equivalent in any other currency) or otherwise fall within an exemption from the requirement to publish a prospectus under the Prospectus Directive; the AFM has neither approved nor reviewed information contained in this Base Prospectus in connection with the issue of any such exempt Notes.

The Programme provides that Notes may be listed on such other or further stock exchange or stock exchanges as may be agreed between the Issuer and the relevant Dealer.

If between the date of this Base Prospectus and the final closing of the relevant Public Offer (as defined on page 49 of this Base Prospectus) or, as the case may be, the time when trading of the Notes begins on Euronext in Amsterdam, the regulated market of the Luxembourg Stock Exchange or any other regulated market, a significant new factor, material mistake or inaccuracy arises or is noticed relating to information included in this Base Prospectus which is capable of affecting the assessment of the Notes, the Issuer will prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes subject to such Public Offer or, as the case may be, such admission to trading. Such a supplement will be approved by the AFM and published in accordance with applicable law. A notification will be provided to the competent authorities of the relevant Member States and ESMA. The summary, and any translations thereof required for the purpose of such Public Offer or, as the case may be, such admission to trading, will also be supplemented, if necessary, to take into account the new information included in the supplement.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see the section '*Documents Incorporated by Reference*' below). This Base Prospectus shall be read and construed on the basis that such documents are incorporated in and form part of this Base Prospectus.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any Final Terms or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers.

Neither this Base Prospectus nor any Final Terms nor any other information supplied in connection with the Programme should be considered as a recommendation by the Issuer, the Arranger or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme should purchase any Notes. Accordingly, no representation, warranty or undertaking, expressly or implied, is made and no responsibility is accepted by the Arranger or by the Dealers or any of their respective affiliates in their capacity as such, as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by the Issuer or Van Lanschot N.V., the sole shareholder of the Issuer.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and Van Lanschot N.V. Neither this Base Prospectus nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer, the Arranger or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall at any time imply that the information contained herein concerning the Issuer or Van Lanschot N.V. is correct at any time subsequent to the date hereof or, as the case may be, the date upon which the Base Prospectus has been most recently amended or supplemented or the balance sheet date of the most recent financial statements deemed to be incorporated by reference into this Base Prospectus or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer or Van Lanschot N.V. during the life of the Programme. Investors should review, *inter alia*, the most recent company financial statements of the Issuer, the most recent consolidated financial statements of Van Lanschot N.V. and any other relevant publicly available information when deciding whether to purchase any Notes.

Van Lanschot N.V. has assumed joint and several liability for the debts arising from the legal acts of the Issuer in accordance with Section 403, Book 2 of the Netherlands Civil Code. Van Lanschot N.V. is established in 's-Hertogenbosch and is registered in the Chamber of Commerce under file number 16014051. The Issuer complies with the requirements as set out in Section 403(1) of Book 2 of the Netherlands Civil Code and is therefore not obliged to prepare an annual report in accordance with Section 391 of Book 2 of the Netherlands Civil Code. The financial data of the Issuer are included in the consolidated financial statements of Van Lanschot N.V.

Neither this Base Prospectus nor any part hereof constitutes an offer or an invitation to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and any Final Terms and the offer or sale of Notes in certain jurisdictions may be restricted by law. The Issuer, the Arranger and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger or the Dealers which would permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with applicable laws and regulations. Persons into whose possession this Base Prospectus (or any part thereof) or any Notes come must inform themselves about, and observe, such restrictions. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the United Kingdom, the Netherlands and Japan (see the section '*Subscription and Sale*' below).

The Notes have not been approved or disapproved by the US Securities and Exchange Commission, any State Securities Commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Base Prospectus. Any representation to the contrary is unlawful.

In connection with the issue and distribution of Notes under the Programme, the Dealer who is specified in the applicable Final Terms as the Stabilising Manager (if applicable) (or any duly appointed person acting for the Stabilising Manager) in relation to the relevant series of Notes may over-allot Notes or effect transactions with a view to supporting the market price of the Notes of such series at a level higher than that which might otherwise prevail for a limited period. However, there is no assurance that the Stabilising Manager (or any agent of the Stabilising Manager) will undertake stabilising action. Any stabilisation action may begin on or after the date on

which adequate public disclosure of the terms of the offer of the relevant Series of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the relevant issue date and 60 days after the date of the allotment of the Notes of such series. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) in accordance with all applicable laws and regulations.

The Issuer may, in its absolute discretion, perform market making activities as a liquidity provider in respect of certain series or tranches of Notes, provided, however, that the Issuer always undertakes to provide market making activities should any such activities be required under any applicable law or regulation.

All figures in this Base Prospectus have not been audited, unless stated otherwise. These figures are internal figures of Van Lanschot N.V.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and the Notes are subject to U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States or to U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act (see the section '*Subscription and Sale*' below).

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or
- (ii) in the circumstances described under '*Public Offers of Public Offer Notes in the European Economic Area*' below.

See the section '*Subscription and Sale*' below for further information.

All references in this document to 'U.S. dollars', 'USD', 'U.S.\$' and '\$' refer to the currency of the United States of America, those to 'Japanese yen', 'JPY', 'yen' and '¥' refer to the currency of Japan, those to 'sterling', 'Stg£', 'GBP' or '£' refer to British pounds sterling and those to 'Euro', 'euro', 'EUR' and '€' refer to the lawful currency of the Member States of the European Union ("**Member States**") that have adopted the single currency pursuant to the Treaty on the Functioning of the European Union, as amended (the "**Treaty**"), 'AUD' and 'Australian dollars' to the currency of Australia, 'CAD', 'CA\$' and 'Canadian dollars' to the currency of Canada, 'HKD', 'HK\$' and 'Hong Kong dollar' to the currency of the special administrative region of Hong Kong, 'NZD', 'NZ\$' and 'New Zealand dollar' to the currency of New Zealand, and 'CHF' and 'Swiss franc' to the currency of Switzerland.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (a) an English translation of the Articles of Association (*statuten*) of the Issuer and Van Lanschot N.V.;
- (b) the Dutch language publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2014 and an English translation of the publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2013 of Van Lanschot N.V. (including the respective independent auditor's reports hereon) as included in Van Lanschot N.V.'s annual report 2014 on page 69 to 211 and 216 and annual report 2013 on page 71 to 208 and 213 respectively;
- (c) only to the extent they apply Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes, the terms and conditions as set forth on the following pages of the following Programme prospectuses of the Issuer:
  - page 21 up to and including 41 of the base prospectus dated 6 May 2004;
  - page 31 up to and including 51 of the base prospectus dated 30 August 2005;
  - page 32 up to and including 52 of the base prospectus dated 17 August 2006;
  - page 40 up to and including 61 of the base prospectus dated 23 November 2007;
  - page 69 up to and including 171 of the base prospectus dated 5 January 2009;
  - page 69 up to and including 172 of the base prospectus dated 8 January 2010;
  - page 70 up to and including 172 of the base prospectus dated 21 January 2011;
  - page 75 up to and including 182 of the base prospectus dated 14 March 2012; and
- (d) the terms and conditions as set forth on the following pages of the following Programme prospectuses of the Issuer:
  - page 48 up to and including 81 of the base prospectus dated 12 April 2013; and
  - page 77 up to and including 107 of the base prospectus dated 17 April 2014.

The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are deemed to be incorporated herein by reference. Written or oral requests for such documents should be directed to the Issuer at its registered office set out at the end of this Base Prospectus. In addition, such documents will be available free of charge from the office in Amsterdam of Kempen & Co N.V. in its capacity as Amsterdam listing agent (the "**Amsterdam Listing Agent**") for Notes listed on Euronext in Amsterdam, from the principal office in Luxembourg of Deutsche Bank Luxembourg S.A. in its capacity as Luxembourg listing agent (the "**Luxembourg Listing Agent**") for Notes which may be listed on the Luxembourg Stock Exchange (after the CSSF has been provided with a Notification), and from the website of the Issuer (<https://corporate.vanlanschot.nl/en/financial/debt-investors/debt-issuance-programme>).

The Issuer will, in connection with the listing of the Notes on Euronext in Amsterdam or the Luxembourg Stock Exchange, so long as any Note remains outstanding and listed on either such exchange, in the event of a material adverse change in the financial condition of the Issuer which is not reflected in this Base Prospectus or if a significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus arises or is noticed, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes to be listed on Euronext in Amsterdam or the Luxembourg Stock Exchange. If the terms of this Programme are modified or amended in a manner which would make this Base Prospectus inaccurate or misleading, a new Base Prospectus or a supplement to this Base Prospectus will be prepared.

This Base Prospectus and any supplement will only be valid for issuing Notes in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed EUR 5,000,000,000 or its equivalent in any other currency.

For the purpose of calculating the aggregate amount of Notes issued under the Programme from time to time:

- (a) the Euro equivalent of Notes denominated in another Specified Currency (as defined under '*Form of the Notes*' below) shall be determined, at the discretion of the Issuer, as of the date of agreement to issue such

Notes (the "**Agreement Date**") or on the preceding day on which commercial banks and foreign exchange markets are open for business in Amsterdam, in each case on the basis of the spot rate for the sale of the Euro against the purchase of such Specified Currency in the Amsterdam foreign exchange market quoted by any leading bank selected by the Issuer on such date;

- (b) the amount (or, where applicable, the Euro equivalent) of Fixed Rate Notes, Fixed Rate Reset Notes, Floating Rate Notes and Inverse Floating Rate Notes (each as defined under '*Form of the Notes*' below) shall be calculated (in the case of Notes not denominated in Euro, in the manner specified above) by reference to the original nominal amount of such Notes (in the case of Partly Paid Notes, regardless of the subscription price paid); and
- (c) the amount (or, where applicable, the Euro equivalent) of Zero Coupon Notes (as defined under '*Form of Notes*' below) and other Notes issued at a discount or premium shall be calculated (in the case of Notes not denominated in Euro, in the manner specified above) by reference to the net proceeds received by the Issuer for the relevant issue.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some statements in this Base Prospectus may be deemed to be "forward-looking statements". Forward-looking statements include all statements other than historical statements of fact included in this Base Prospectus, including, without limitation, those concerning the Issuer's or Van Lanschot N.V.'s financial position, business strategy, plans, goals and objectives of management for future operations (including development plans and objectives relating to the Issuer's or Van Lanschot N.V.'s products) and the assumptions underlying these forward-looking statements. When used in this Base Prospectus (or any supplement hereto), the words 'anticipates', 'estimates', 'expects', 'believes', 'intends', 'plans', 'aims', 'seeks', 'may', 'will', 'should' and any similar expressions generally identify forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer or Van Lanschot N.V., or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's or Van Lanschot N.V.'s present and future business strategies and the environment in which the Issuer or Van Lanschot N.V. will operate in the future. The Issuer's and Van Lanschot N.V.'s risks are more specifically described in the section '*Risk Factors*'.

Important factors that could cause the Issuer's or Van Lanschot N.V.'s actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, changes or downturns in the Dutch economy or the economies in other countries in which the Issuer or Van Lanschot N.V. conducts business, the impact of fluctuations in foreign exchange rates and interest rates and the impact of future regulatory requirements.

These forward-looking statements speak only as of the date of this Base Prospectus. Other than as required by applicable laws and regulations, the rules and regulations of the relevant stock exchange, the Issuer and Van Lanschot N.V. expressly disclaim any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's or Van Lanschot N.V.'s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.



## **PUBLIC OFFERS OF PUBLIC OFFER NOTES IN THE EUROPEAN ECONOMIC AREA**

Certain Tranches of Notes with a denomination of less than EUR 100,000 (or its equivalent in any other currency) ("**Public Offer Notes**") may, subject as provided below, be offered in a Relevant Member State in circumstances where there is no exemption from the obligation under Article 3.2 of the Prospectus Directive to publish a prospectus. Any such offer is referred to in this Base Prospectus as a "**Public Offer**".

This Base Prospectus has been prepared on a basis that permits Public Offers of Public Offer Notes in Belgium, Luxembourg (after the CSSF has been provided with a Notification) and the Netherlands (together, the "**Public Offer Jurisdictions**"). Any person making or intending to make a Public Offer of Public Offer Notes in a Public Offer Jurisdiction on the basis of this Base Prospectus must do so only with the Issuer's consent - see '*Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)*' below.

If the Issuer intends to make or authorise any Public Offer of Public Offer Notes to be made in one or more Relevant Member States other than in a Public Offer Jurisdiction, it will prepare a supplement to this Base Prospectus specifying such Relevant Member State(s) and any additional information required by the Prospectus Directive in respect thereof. Such supplement will also set out provisions relating to the Issuer's consent to use this Base Prospectus in connection with any such Public Offer.

Save as provided above, neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any Public Offer of Notes in circumstances in which an obligation arises for either the Issuer or any Dealer to publish or supplement a prospectus for such offer.

### **Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)**

In the context of any Public Offer of Public Offer Notes in a Public Offer Jurisdiction, the Issuer accepts responsibility, in each of the Public Offer Jurisdictions, for the content of this Base Prospectus in relation to any person (an "**Investor**") who purchases any Public Offer Notes by a Dealer and also with respect to subsequent resale or final placement of securities by any financial intermediary which was given consent by the Issuer to use this Base Prospectus (an "**Authorised Offeror**"), where the offer is made in compliance with all conditions attached to the giving of the consent. Such consent and conditions are described below under '*Consent*' and '*Common conditions to consent*'. Neither the Issuer, the Arranger nor any Dealer has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such Public Offer.

**Save as provided below, neither the Issuer, the Arranger nor any Dealer has authorised the making of any Public Offer and the Issuer has not consented to the use of this Base Prospectus by any other person in connection with any Public Offer of Public Offer Notes in any jurisdiction. Any Public Offer made without the consent of the Issuer is unauthorised and neither the Issuer, the Arranger nor any Dealer accepts any responsibility or liability for the actions of the persons making any such unauthorised offer.** If, in the context of a Public Offer, an Investor to whom an offer of any Public Offer Notes is made is offered Public Offer Notes by a person which is not an Authorised Offeror, the Investor should check with such person whether anyone is responsible for this Base Prospectus for the purpose of Article 6 of the Prospectus Directive in the context of the Public Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

The Issuer will publish information with respect to Authorised Offerors unknown at the time of the approval of the Base Prospectus or the filing of the applicable Final Terms, as the case may be, on <https://corporate.vanlanschot.nl/en/financial/debt-investors/debt-issuance-programme>.

### **Consent**

Subject to the conditions set out below under '*Common conditions to consent*':

- A. the Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Public Offer of Public Offer Notes in any of the Public Offer Jurisdictions by:
  - (i) the Dealer(s) specified in the relevant Final Terms;

- (ii) any financial intermediary named as an Initial Authorised Offeror in the applicable Final Terms; and
  - (iii) any financial intermediary appointed after the date of the applicable Final Terms and whose name and address is published on the Issuer's website and identified as an Authorised Offeror in respect of the relevant Public Offer; and
- B. if (and only if) Part A of the relevant Final Terms specifies *General Consent* as "*Applicable*", the Issuer hereby offers to grant its consent to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Public Offer of Public Offer Notes in a Public Offer Jurisdiction by any financial intermediary which satisfies the following conditions:
- (i) it is authorised to make such offers under the in each relevant jurisdiction applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC); and
  - (ii) it accepts such offer by publishing on its website the following statement (with the information in square brackets duly completed with the relevant information):

*"We [insert legal name of financial intermediary], refer to the [insert title of relevant Public Offer Notes] (the "Notes") described in the Final Terms dated [insert date] (the "Final Terms") published by F. van Lanschot Bankiers N.V. (the "Issuer"). We hereby accept the offer by the Issuer of its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [Belgium][,] [Luxembourg] [and][ the Netherlands] (the "Public Offer") in accordance with and subject to the conditions to such consent, each as specified in the Base Prospectus, and we are using the Base Prospectus accordingly. "*

The "**Authorised Offeror Terms**" are that the relevant financial intermediary:

- (I) will, and it agrees, represents, warrants and undertakes for the benefit of the Issuer and the relevant Dealer(s) that it will, at all times in connection with the relevant Public Offer:
  - (a) act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**") from time to time including, without limitation, Rules relating to both the appropriateness or suitability of any investment in the Public Offer Notes by any person and disclosure to any potential Investor, and will immediately inform the Issuer and the relevant Dealer(s) if at any time such financial intermediary becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;
  - (b) comply with the restrictions set out under '*Subscription and Sale*' in this Base Prospectus which would apply as if it were a Dealer;
  - (c) ensure that any fee (and any other commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Public Offer Notes does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to Investors or potential Investors;
  - (d) hold all licenses, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Public Offer Notes under the Rules;
  - (e) comply with and take appropriate steps in relation to applicable anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential Investor prior to initial investment in any Public Offer Notes by the Investor), and will not permit any application for Public Offer Notes in circumstances where the financial intermediary has any suspicions as to the source of the application moneys;
  - (f) retain Investor identification records for at least the minimum period required under applicable Rules, and shall, if so required and permitted, make such records available to the relevant Dealer(s) and the Issuer or directly to the appropriate authorities with jurisdiction over the Issuer and/or the

relevant Dealer(s) in order to enable the Issuer and/or the relevant Dealer(s) to comply with anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules applying to the Issuer and/or the relevant Dealer(s);

- (g) ensure that no holder of Public Offer Notes or potential Investor in Public Offer Notes shall become an indirect or direct client of the Issuer or the relevant Dealer(s) for the purposes of any applicable Rules from time to time, and, to the extent that any client obligations are created by the relevant financial intermediary under any applicable Rules, then such financial intermediary shall perform any such obligations so arising;
- (h) cooperate with the Issuer and the relevant Dealer(s) in providing such information (including, without limitation, documents and records maintained pursuant to paragraph (f) above) upon written request from the Issuer or the relevant Dealer(s) as is available to such financial intermediary or which is within its power and control from time to time, together with such further assistance as is reasonably requested by the Issuer or the relevant Dealer(s):
  - (i) in connection with any request or investigation by the AFM and/or any relevant regulator of competent jurisdiction in relation to the Public Offer Notes, the Issuer or the relevant Dealer(s); and/or
  - (ii) in connection with any complaints received by the Issuer and/or the relevant Dealer(s) relating to the Issuer and/or the relevant Dealer(s) or another Authorised Offeror, including, without limitation, complaints as defined in rules published by the AFM and/or any relevant regulator of competent jurisdiction from time to time; and/or
  - (iii) which the Issuer or the relevant Dealer(s) may reasonably require from time to time in relation to the Public Offer Notes and/or as to allow the Issuer or the relevant Dealer(s) fully to comply within its own legal, tax and regulatory requirements,

in each case, as soon as is reasonably practicable and, in any event, within any timeframe set by any such regulator or regulatory process;

- (i) during the primary distribution period of the Public Offer Notes: (i) not sell the Public Offer Notes at any price other than the Issue Price specified in the applicable Final Terms (unless otherwise agreed with the relevant Dealer(s)); (ii) not sell the Public Offer Notes otherwise than for the settlement on the Issue Date specified in the applicable Final Terms; (iii) not appoint any sub-distributors (unless otherwise agreed with the relevant Dealer(s) and the Issuer); (iv) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Public Offer Notes (unless otherwise agreed with the relevant Dealer(s)); and (v) comply with such other rules of conduct as may be reasonably required and specified by the relevant Dealer(s) and the Issuer;
- (j) either (i) obtain from each potential Investor an executed application for the Public Offer Notes, or (ii) keep a record of all requests such financial intermediary (x) makes for its discretionary management clients, (y) receives from its advisory clients and (z) receives from its execution-only clients, in each case, prior to making any order for the Public Offer Notes on their behalf, and, in each case, maintain the same on its files for so long as is required by any applicable Rules;
- (k) ensure that it does not, directly or indirectly, cause the Issuer or the relevant Dealer(s) to breach any Rule or subject the Issuer or the relevant Dealer(s) to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
- (l) comply with the conditions to the consent referred to under '*Common conditions to consent*' below and any further requirements relevant to the Public Offer as specified in the applicable Final Terms;
- (m) make available to each potential Investor in the Public Offer Notes the Base Prospectus (as supplemented as at the relevant time, if applicable), the applicable Final Terms and any applicable information booklet provided by the Issuer for such purpose, and not convey or publish any information that is not contained in or entirely consistent with this Base Prospectus; and

- (n) if it conveys or publishes any communication (other than the Base Prospectus or any other materials provided to such financial intermediary by or on behalf of the Issuer for the purpose of the relevant Public Offer) in connection with the relevant Public Offer, it will ensure that such communication (i) is fair, clear and not misleading and complies with the Rules, (ii) states that such financial intermediary has provided such communication independently of the Issuer, that such financial intermediary is solely responsible for such communication and that none of the Issuer nor the relevant Dealer(s) accept any responsibility for such communication and (iii) does not, without the prior written consent of the Issuer or the relevant Dealer(s) (as applicable), use the legal or publicity names of the Issuer or, respectively, the relevant Dealer(s) or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest, except to describe the Issuer as issuer of the relevant Public Offer Notes on the basis set out in this Base Prospectus;
- (II) agrees and undertakes to indemnify each of the Issuer and the relevant Dealer(s) (in each case, on behalf of such entity and its respective directors, officers, employees, agents, affiliates and controlling persons) against any losses, liabilities, costs, claims, charges, expenses, actions or demands (including reasonable costs of investigation and any defence raised thereto and counsel's fees and disbursements associated with any such investigation of defence) which any of them may incur or which may be made against any of them arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations, warranties or undertakings by such financial intermediary, including (without limitation) any unauthorised action by such financial intermediary or failure by such financial intermediary to observe any of the above restrictions or requirements or the making by such financial intermediary of any unauthorised representation or the giving or use by it or any information which has not been authorised for such purposes by the Issuer or the relevant Dealer(s); and
- (III) agrees and accepts that;
  - (a) the contract between the Issuer and the financial intermediary formed upon acceptance by the financial intermediary of the Issuer's offer to use the Base Prospectus with its consent in connection with the relevant Public Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, the laws of the Netherlands; and
  - (b) the competent courts of Amsterdam, the Netherlands are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Authorised Offeror Contract (including a dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) and accordingly submits to the exclusive jurisdiction of such courts.

**Any financial intermediary falling within sub-paragraph (B) above who wishes to use this Base Prospectus in connection with a Public Offer is required, for the duration of the relevant Offer Period, to publish on its website the statement (duly completed) specified at paragraph (B)(ii) above.**

#### **Common conditions to consent**

The conditions to the Issuer's consent are (in addition to the conditions described in paragraph (B) above if Part B of the applicable Final Terms specifies '*General Consent*' as "Applicable") that such consent:

- (a) is only valid in respect of the relevant Tranche of Public Offer Notes;
- (b) is only valid during the Offer Period specified in the relevant Final Terms; and
- (c) only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Public Offer Notes in one or more of Belgium and the Netherlands, as specified in the applicable Final Terms.

#### **ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS**

**AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY PUBLIC OFFER NOTES IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR OTHER THAN THE ISSUER WILL DO SO, AND OFFERS AND SALES OF SUCH PUBLIC OFFER NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR**

**INCLUDING AS TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE PUBLIC OFFER NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK AT THE RELEVANT AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION. NEITHER THE ISSUER NOR ANY DEALER (EXCEPT WHERE SUCH DEALER IS THE RELEVANT AUTHORISED OFFEROR) HAS ANY RESPONSIBILITY OF LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.**

**Public Offers: Issue Price and Offer Price**

Public Offer Notes to be offered pursuant to a Public Offer will be issued by the Issuer at the Issue Price specified in the applicable Final Terms. The Issue Price will be determined by the Issuer in consultation with the relevant Dealer(s) at the time of the relevant Public Offer and will depend, amongst other things, on the interest rate applicable to the Public Offer Notes and prevailing market conditions at any time. The offer price of such Public Offer Notes will be the Issue Price or such other price as may be agreed between an Investor and the Authorised Offeror making the offer of the Public Offer Notes to such Investor. The Issuer will not be party to arrangements between an Investor and an Authorised Offeror, and the Investor will need to look to the relevant Authorised Offeror to confirm the price at which such Authorised Offeror is offering the Public Offer Notes to such Investor.

## FORM OF THE NOTES

Each Tranche of Notes will (unless otherwise specified in the applicable Final Terms) be in bearer form and will initially be represented by a temporary global note (a "**Temporary Global Note**") or, if so specified in the applicable Final Terms, a permanent global note (a "**Permanent Global Note**" and, together with the Temporary Global Note, the "**Global Notes**"), without receipts, interest coupons or talons, which in either case will:

- (i) if the Global Notes are intended to be issued in NGN form, as specified in the applicable Final Terms, be delivered to a common safekeeper (the "**Common Safekeeper**") for Euroclear and/or Clearstream, Luxembourg; and
- (ii) if the Global Notes are not intended to be issued in NGN form:
  - (a) be delivered on or prior to the original issue date of the Tranche to a common depository (the "**Common Depository**") on behalf of Euroclear, Clearstream, Luxembourg and/or Euroclear Netherlands;
  - (b) be deposited with Euroclear Netherlands; and/or
  - (c) any other applicable settlement institution

Whilst any Note is represented by a Temporary Global Note and subject to TEFRA D selling restrictions, payments of principal and interest (if any) due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by the relevant clearing and/or settlement system(s) and the relevant clearing and/or settlement system(s) have given a like certification (based on the certifications they have received) to the Agent. Any reference in this section to the relevant clearing and/or settlement system(s) shall mean the clearance and/or settlement system(s) as specified in the applicable Final Terms.

On and after the date (the "**Exchange Date**") which is not less than 40 days nor, in the case of Notes held through Euroclear Netherlands, more than 90 days after the date on which the Temporary Global Note is issued, interests in the Temporary Global Note will be exchangeable (free of charge), upon request as described therein, either for interests in a Permanent Global Note without receipts, interest coupons or talons or for Definitive Notes (as specified in the applicable Final Terms) in each case (if the Notes are subject to TEFRA D selling restrictions) against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless (if the Notes are subjected to TEFRA D selling restrictions) upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for Definitive Notes improperly withheld or refused. Pursuant to the Agency Agreement (as defined under '*Terms and Conditions of the Notes*' below) the Agent will arrange that, where a Temporary Global Note representing a Tranche of Notes is issued, the Notes of such Tranche shall be assigned an ISIN and a common code by Euroclear, Clearstream, Luxembourg, Euroclear Netherlands and/or any other applicable settlement institution and which are different from the ISIN and common code assigned to Notes of any other Tranche of the same Series.

Definitive Notes will be in the standard euomarket form. Definitive Notes and Global Notes will be in bearer form.

Payments of principal and interest (if any) on a Permanent Global Note will be made through the relevant clearing and/or settlement system(s) (against presentation or surrender (as the case may be) of the Permanent Global Note if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification. A Permanent Global Note will, unless otherwise specified in the applicable Final Terms, be exchangeable (free of charge), in whole (but not in part) in accordance with the applicable Final Terms for security printed Definitive Notes with, where applicable, receipts, interest coupons or coupon sheets and talons attached. Such exchange may be made, as specified in the applicable Final Terms, either (i) upon not less than 30 days' written notice being given to the Agent by Euroclear, Clearstream, Luxembourg or Euroclear Netherlands and/or any other relevant settlement institution and (acting on the instructions of any of its participants) as

described therein or (ii) only upon the occurrence of any Exchange Event. An "**Exchange Event**" means (1) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing and/or settlement system is available or (2) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 8(b) which would not be required were the Notes represented by a Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 upon the occurrence of an Exchange Event. In the event of the occurrence of any Exchange Event, Euroclear and/or Clearstream, Luxembourg and/or Euroclear Netherlands and/or any other applicable settlement institution, acting on the instructions of any holder of an interest in the Global Note, may give notice to the Agent requesting exchange and in the event of the occurrence of an Exchange Event as described in (2) above, the Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur no later than 15 days after the date of receipt of the relevant notice by the Agent. Global Notes and Definitive Notes will be issued pursuant to the Agency Agreement. At the date hereof, none of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution regard Notes in global form as fungible with Notes in definitive form.

Delivery (*uitlevering*) of definitive Notes represented by a Global Note deposited with Euroclear Netherlands shall only be possible in the limited circumstances as described in the Wge and such delivery will be made in accordance with the Wge and the rules and regulations of Euroclear Netherlands.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution, as the case may be.

Any reference herein to Euroclear and/or Clearstream, Luxembourg and/or Euroclear Netherlands and/or any other applicable settlement institution shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing and/or settlement system specified in the applicable Final Terms.

The following legend will appear on all Global Notes, Definitive Notes, receipts and interest coupons (including talons) which are subject to TEFRA D selling restrictions:

*'Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 1650) and 1287(a) of the Internal Revenue Code of 1986.'*

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes, receipts or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Notes, receipts or interest coupons.

The following legend will appear on all Global Notes held in Euroclear Netherlands:

*'Notice: This Note is issued for deposit with Euroclear Netherlands at Amsterdam, the Netherlands. Any person being offered this Note for transfer or any other purpose should be aware that theft or fraud is almost certain to be involved.'*

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 10 of the Notes. In such circumstances, where any Note is still represented by a Global Note and a holder of such Note so represented and credited to his account with the relevant clearing and/or settlement system(s) (other than Euroclear Netherlands) gives notice that it wishes to accelerate such Note, unless within a period of 15 days from the giving of such notice payment has been made in full of the amount due in accordance with the terms of such Global Note, holders of interests in such Global Note credited to their accounts with the relevant clearing and/or settlement system(s) (other than Euroclear Netherlands) will become entitled to proceed directly against the Issuer on the basis of statements of account provided by the relevant clearing and/or settlement system(s) (other than Euroclear Netherlands) on and subject to the terms of the relevant Global Note. In the case of a Global Note deposited with Euroclear Netherlands, the rights of the Noteholders will be exercised in accordance with the Wge and the rules and regulations of Euroclear Netherlands.

## FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes.

**Final Terms dated [ ]**

**F. van Lanschot Bankiers N.V.**

*(incorporated in the Netherlands with its statutory seat in 's-Hertogenbosch)*

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] under the EUR 5,000,000,000  
Debt Issuance Programme**

**Series No. [ ]**

**Tranche No. [ ]**

**[Publicity name(s) of Dealer(s)/Manager(s)]**

Any person making or intending to make an offer of the Notes may only do so[:

(i) in those Public Offer Jurisdictions mentioned in item 41 of Part A below, provided such person is a Dealer, Manager or Authorised Offeror (as such term is defined in the Base Prospectus) and that such offer is made during the Offer Period specified for such purpose therein and that any conditions relevant to the use of the Base Prospectus are complied with; or

(ii) otherwise]<sup>1</sup> in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The expression "**Prospectus Directive**" means Directive 2003/71/EC as amended (including by Directive 2010/73/EU) and includes any relevant implementing measures in the relevant Member State.

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<sup>1</sup> Include this wording where a Public Offer of Notes is anticipated.



## PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 17 April 2015 [and the supplement(s) to it dated [ ]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. However, a summary of the issue of the Notes is annexed to these Final Terms. The Base Prospectus has been published on [<https://corporate.vanlanschot.nl/en/financial/debt-investors/debt-issuance-programme>].

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a base prospectus with an earlier date. N.B. when using a post – 1 July 2012 approved base prospectus to tap a previous issue under a pre – 1 July 2012 approved base prospectus, the final terms in the post – 1 July 2012 base prospectus will take a different form due to the more restrictive approach to final terms. The Conditions of the original issue being tapped should be reviewed to ensure that they would not require the final terms documenting the further issue to include information which is no longer permitted in final terms. Where the final terms documenting the further issue would need to include such information, it will not be possible to tap using final terms and a drawdown prospectus (incorporating the original Conditions and final terms) will instead need to be prepared. Include correct references to each condition mentioned explicitly by number in the Final Terms to the extent that these number references in the terms and conditions under which the initial tranche was issued differ from number references used in the Conditions set out in full in the Base Prospectus dated 17 April 2015.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the base prospectus dated [*original date*] which are incorporated by reference in the Base Prospectus dated 17 April 2015. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive] and must be read in conjunction with the Base Prospectus dated 17 April 2015 [and the supplement(s) to it dated [ ]], [which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive] (the "**Base Prospectus**"), save in respect of the Conditions which are extracted from the base prospectus dated [*original date*]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. However, a summary of the issue of the Notes is annexed to these Final Terms. The [Base] Prospectus has been published on [<https://corporate.vanlanschot.nl/en/financial/debt-investors/debt-issuance-programme>].

*[When adding any other final terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

*[When adding any other final terms or information, consideration should be given as to whether such terms or information constitute category "B" information as indicated in Annex XX of the Prospectus Regulation and consequently trigger the need for an individual Drawdown Prospectus.]*

*[Include whichever of the following apply or specify as "Not Applicable" [N/A]. Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

- |    |  |  |
|----|--|--|
| 1. | Issuer:  | F. van Lanschot Bankiers N.V.  |
| 2. | (i) Series Number:                             | [...]  |
|    | (ii) Tranche Number:                           | [...]  |
|    | (iii) Date on which the Notes become fungible: | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [ <i>insert description of the Series</i> ] on [ <i>insert date</i> /the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 31 below [which is expected to occur on or about [ <i>insert date</i> ]]].] |

3. Specified Currency or Currencies: [EUR/USD/CHF/JPY/GBP/HKD/AUD/CAD/NZD/[...]]
4. Aggregate Nominal Amount:
- (i) Series: [...]
- (ii) Tranche: [...]
5. (i) Issue Price: [...] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in case of fungible issues only, if applicable)]
- (ii) Net Proceeds: [...]/[Not Applicable] (required only for issues listed on Euronext in Amsterdam)
6. (i) Specified Denominations: [...]
- [EUR 100,000 and integral multiples of [EUR 1,000] in excess thereof up to and including [EUR 199,000]. No notes in definitive form will be issued with a denomination above [EUR 199,000].]
- (All Subordinated Notes will have a minimum Specified Denomination of at least EUR 100,000 (or its equivalent in any other currency).)*
- (ii) Calculation Amount: [...]/[Not Applicable] *[(i) if there is only one Specified Denomination, the Specified Denomination of the relevant Notes or (ii) if there are several Specified Denominations, the highest common factor of those Specified Denominations]*
7. (i) Issue Date: [...]
- (ii) Interest Commencement Date: [...]/[Not Applicable]
8. Maturity Date or Redemption Month: [...] [Fixed rate – specify date]
- [Other - Interest Payment Date falling in or nearest to [specify month] [specify year] [(the "Scheduled Maturity Date")]
9. Interest Basis:
- [...] per cent. Fixed Rate]  
 [...] per cent. subject to Fixed Reset Rate]  
 [Floating Rate] [LIBOR/EURIBOR/CMS London/CMS Brussels] +/- [...] per cent.  
 [Inverse Floating Rate] [...] per cent. -/  
 [LIBOR/EURIBOR/CMS London/CMS Brussels]  
 [Zero Coupon]  
 [Non-interest bearing]  
 (further particulars specified below)
10. Redemption/Payment Basis:
- [Redemption at par]  
 [Partly Paid]  
 [Instalment]  
 (further particulars specified below)
11. Change of Interest Basis:
- [Condition 5(f) applies]  
 The Interest Basis shall change from [Fixed Rate/Floating Rate/Inverse Floating Rate/Zero

Coupon/Non-interest bearing] to [[Fixed Rate/Floating Rate/Inverse Floating Rate/Zero Coupon/Non-interest bearing] following the exercise of a Change of Interest Basis Option][Repeat paragraph as necessary for additional changes of interest basis][Not Applicable]

12. Put/Call Options: [Put Option]  
[Issuer Call Option]  
[Regulatory Call (*only for Tier 2 Notes*)]  
[(further particulars specified below)]
13. (i) Status of the Notes: [Senior/Subordinated [(Tier 2 Notes)]] *Specify the applicable Conditions which apply especially to Subordinated Notes* [Conditions [2/3/7(m)/7(n)/10/15/17] apply]
- (ii) Date of resolutions/authorisations/ approval for issuance of Notes obtained: [...]
14. (i) Listing: [Euronext in Amsterdam/the regulated market of the Luxembourg Stock Exchange (after the CSSF has been provided with a Notification)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [...] with effect from [...].]  
  
[Not Applicable]
- (iii) Estimate of total expenses related to admission to trading: [...]
15. Method of distribution: [Syndicated/Non-syndicated]
16. Name and contact details of Calculation Agent, if not the Issuer: [Not Applicable/name and contact details]

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

17. **Change of Interest Basis Option:** [Applicable/Not Applicable]
- (i) Interest Basis Option Period: [...] Business Days
- (ii) Change of Interest Basis Option Date: [...] / Each Interest Payment Date]
- (iii) Initial Interest Basis: [[...] per cent. Fixed Rate]  
[Floating Rate] [LIBOR/EURIBOR/CMS London/CMS Brussels] +/- [...] per cent.  
[Inverse Floating Rate] [...] per cent. -/  
[LIBOR/EURIBOR/CMS London/CMS Brussels]  
[Zero Coupon] [Repeat paragraph as necessary for additional changes of interest basis][Non-interest bearing]
- (iv) Subsequent Interest Basis: [[...] per cent. Fixed Rate]  
[Floating Rate] [LIBOR/EURIBOR/CMS London/CMS Brussels] +/- [...] per cent.  
[Inverse Floating Rate] [...] per cent. -/  
[LIBOR/EURIBOR/CMS London/CMS Brussels]  
[Repeat paragraph as necessary for additional

changes of interest basis][

(NB: if terms and conditions applicable to the notes are not the 2013 or 2014 Terms and Conditions the reference rate for the Interest Basis must be LIBOR or EURIBOR).

[Zero Coupon]  
[Non-interest bearing]

**18. Fixed Rate Note Provisions:**

[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Fixed Rate[(s)] of Interest: [...] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear]
- (ii) Interest Payment Date(s): [...] in each year up to and including the Maturity Date (NB: Amend in the case of long or short coupons)
- (iii) Fixed Coupon Amount(s): [...] per [...] in nominal amount
- (iv) Broken Amount(s): [...] per nominal amount payable on the Interest Payment Date falling [in/on] [...] / [Not Applicable]
- (v) Day Count Fraction: [Actual/Actual (ICMA)]  
[Actual/365]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360]  
[Bonds Basis]  
[30E/360]  
[30E/360 (ISDA)]  
[Actual/Actual (ISDA)]  
[Actual/Actual]
- (vi) Interest Determination Date(s): [...] in each year.<sup>2</sup>

**19. Fixed Rate Reset Note Provisions:**

[Applicable/Not Applicable]  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Initial Interest Rate: [ ] per cent. per annum payable [annually/semi-annually/quarterly] in arrear
- (ii) Interest Payment Date(s): [[ ] in each year up to and including the Maturity Date]  
(N.B. This will need to be amended in the case of long or short coupons)
- (iii) Fixed Coupon Amount to (but excluding) the First Reset Date: (Applicable to Notes in definitive form.) [ ] per Calculation Amount
- (iv) Broken Amount(s): [[ ] per Calculation Amount payable on the

<sup>2</sup> (Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon (NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration) (NB: Only relevant for an issue denominated in Euro where Day Count Fraction is Actual/Actual (ICMA))

|        |  |   |
|--------|--|---|
|        | <i>(Applicable to Notes in definitive form.)</i>   | Interest Payment Date falling in/on [ ] [Not Applicable]  |
| (v)    | Day Count Fraction:  | [30/360] [Actual/Actual (ICMA)]   |
| (vi)   | Determination Date(s):   | [[ ] in each year][Not Applicable]  |
|        |  | <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)</i>  |
|        |  | <i>N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))</i>   |
| (vii)  | First Reset Date:  | [ ]   |
| (viii) | Second Reset Date:   | [ ]/[Not Applicable]  |
| (ix)   | Subsequent Reset Date(s):  | [ ] [and [ ]]/[Not Applicable]  |
| (x)    | Reset Determination Date:  | [first/second/specify] Business Day immediately preceding the relevant Reset Date   |
| (xi)   | Reset Determination Time:  | [11.00 a.m. (Central European Time)/specify]  |
| (xii)  | Reset Margin(s):   | [+/-][ ] per cent. per annum  |
| (xiii) | Mid-Swap Rate:   | [ ]   |
| (xiv)  | Fixed Reset Rate Relevant Screen Page:   | [ ]   |
| (xv)   | Initial Mid-Swap Rate:   | [ ] per cent. per annum (quoted on a[n] annual/semi-annual basis)   |
| 20.    | <b>Floating Rate Note Provisions:</b>  | [Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>                             |
| (i)    | CMS:   | [CMS [London][Brussels]] <i>[further details specifying tenor and currency et cetera]</i> /[Not Applicable]                               |
| (ii)   | Specified Period(s):   | [...]   |
| (iii)  | Specified Interest Payment Dates:  | [...]   |
| (iv)   | Business Day Convention:   | [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] |
|        | - Business Day Convention:   |   |
|        | - Adjustment or Unadjustment for Interest Period:  | [Adjusted] or [Unadjusted]  |
| (v)    | Manner in which the Rate of Interest is to be determined:                                      | [Screen Rate Determination/ISDA Determination/Interest Amount]  |
| (vi)   | Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): | [...]   |
| (vii)  | Screen Rate Determination:   | [Yes/No]  |

- Reference Rate: [...]
 

*(Either LIBOR, EURIBOR, CMS London or CMS Brussels) (NB: if terms and conditions applicable to the notes are not the 2013 or 2014 Terms and Conditions, the reference rate must be specified as EURIBOR or LIBOR).*
- Interest Determination Date(s): [...]
 

*(Second London business day prior to the start of each Interest Period if LIBOR (other than sterling or Euro LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET is open prior to the start of each Interest Period if CMS London, CMS Brussels, EURIBOR or Euro LIBOR)*
- Relevant Screen Page: [...] (in accordance with the fallback provisions as set out in Condition (5(b))
 

*(In the case of EURIBOR, if not Reuters EURIBOR 01 ensure it is a page which shows a composite rate)*
- (viii) ISDA Determination: [Yes/No]
  - Floating Rate Option: [...]
  - Designated Maturity: [...]
  - Reset Date: [...]
- (ix) Linear Interpolation: [Not Applicable][Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (x) Margin(s): [+/-] [...] per cent. per annum
- (xi) Minimum Rate of Interest: [...] per cent. per annum *(NB: if terms and conditions applicable to the notes are not the 2013 or 2014 Terms and Conditions, the minimum rate of interest must be specified in the Final Terms (this specification can also include "0 per cent. per annum").*
- (xii) Maximum Rate of Interest: [...] per cent. per annum
- (xiii) Day Count Fraction: [Actual/Actual (ICMA)]  
 [Actual/365]  
 [Actual/365 (Fixed)]  
 [Actual/365 (Sterling)]  
 [Actual/360]  
 [30/360]  
 [Bonds Basis]  
 [30E/360]  
 [30E/360 (ISDA)]  
 [Actual/Actual (ISDA)]  
 [Actual/Actual]
- (xiv) Applicable ISDA Definitions: [2000/2006] ISDA Definitions [(as amended and supplemented)]

- (xv) Inverse Floating Rate Note [Applicable/Not Applicable]  
 - Fixed Rate of Interest: [...] per cent. per annum
21. **Zero Coupon Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Accrual Yield: [...] per cent. per annum
- (ii) Reference Price: [...]
- (iii) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 7(h) and (l) apply]  
 [Actual/Actual (ICMA)]  
 [Actual/365]  
 [Actual/365 (Fixed)]  
 [Actual/365 (Sterling)]  
 [Actual/360]  
 [30/360]  
 [360/360]  
 [Bonds Basis]  
 [30E/360]  
 [30E/360 (ISDA)]  
 [Actual/Actual (ISDA)]  
 [Actual/Actual]
- (Consider applicable day count fraction if not U.S. dollar denominated).*

**PROVISIONS RELATING TO REDEMPTION**

22. Issuer Call Option: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [...]
- (ii) Optional Redemption Amount(s): [...] per [Calculation Amount/Specified Denomination] / [nominal amount of the Note]
- (iii) If redeemable in part: [...]  
 Minimum Redemption Amount [...]  
 Maximum Redemption Amount [...]
23. Put Option: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [...]
- (ii) Optional Redemption Amount(s): [...] per [Calculation Amount/Specified Denomination]
- (iii) Notice period: [...]

24. Final Redemption Amount: [...] per [Calculation Amount/Specified Denomination]
25. Early Redemption Amount: [Applicable/Not Applicable]
- (i) Early Redemption Amount(s) payable on redemption pursuant to Condition 7 (other than 7(c) and 7(d)), including for tax reasons, illegality, regulatory reasons of Tier 2 Notes or on event of default (if different from that set out in Condition 7(g)): [market value/[paid up] nominal amount] of the Note on the date of redemption [adjusted for Early Redemption Unwind Costs]
- (ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates: [Yes/No]
- (iii) Unmatured Coupons to become void upon early redemption (Definitive Notes and Global Notes in bearer form only): [Yes/No/Not Applicable]
26. Obligatory Redemption: (Condition 7(f)):
- Obligatory Redemption Date(s): [...]
- Obligatory Redemption Amount of each Note: [...] per [Calculation Amount/Specified Denomination] /[the nominal amount of the Note]
27. Regulatory Call
- [Applicable/Not Applicable]  
*(if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Amount of each Note: [...] per [Note of [...] Specified Denomination/ [Calculation Amount]

**GENERAL PROVISIONS RELATING TO REDEMPTION**

28. Partly Paid Notes: [Applicable (*give details*)/Not Applicable]
29. Instalment Notes: [Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)]
- (i) Instalment Date(s): [...]
- (ii) Instalment Amount(s): [...]
30. Adjustment for Early Redemption Unwind Costs: [Applicable/Not Applicable]
- [If Applicable:  
[Standard Early Redemption Unwind Costs/[*Insert relevant amount*]]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

31. Form of Notes: [Bearer Notes/Exchangeable Bearer Notes]
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on not less than 30 days' notice given at any time/only upon an Exchange Event [and



- in case of a Temporary Global Note deposited with Euroclear Netherlands only in the limited circumstances, as described in the Wge.]]  
 [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date.]  
 [Permanent Global Note exchangeable for Definitive Notes [on not less than 30 days' notice given at any time/only upon an Exchange Event [and in case of a Temporary Global Note deposited with Euroclear Netherlands only in the limited circumstances, as described in the Wge.]]  
 [Applicable/Not Applicable]
32. New Global Note Form: [Applicable/Not Applicable]
33. Additional Financial Centre(s): [Applicable [*specify relevant Additional Financial Centre(s)*] /Not Applicable]
34. Coupons or Receipts to be attached to Definitive Notes (and dates on which such Coupons or Receipts mature): [Yes/No. *If yes, give details*]
35. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
36. Details relating to Partly Paid Notes: [Applicable/Not Applicable] (*NB: a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues*) (*NB: if terms and conditions applicable to the notes are not the 2013 or 2014 Terms and Conditions Partly Paid Notes cannot be issued*) (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Part Paid Amount(s): [...]
- (ii) Part Payment Date(s): [...]
37. Details relating to Instalment Notes:
- (i) Instalment Amount(s): [Not Applicable/*give details*]
- (ii) Instalment Date(s): [Not Applicable/*give details*]
38. Redenomination: [Applicable/Not Applicable]
- (*NB: if terms and conditions applicable to Floating Rate Notes are not the 2013 or 2014 Terms and Conditions the notes cannot be subject to redenomination*) (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Day Count Fraction applicable to Redenomination calculation: [Actual/Actual (ICMA)]  
 [Actual/365]  
 [Actual/365 (Fixed)]  
 [Actual/365 (Sterling)]  
 [Actual/360]  
 [30/360]  
 [Bonds Basis]  
 [30E/360]  
 [30E/360 (ISDA)]  
 [Actual/Actual (ISDA)]

|     |  |   |
|-----|--|---|
|     |  | [Actual/Actual]   |
|     | (ii) Reference Rate the Note may be redenominated to:  | [LIBOR/ EURIBOR/CMS London/CMS Brussels]  |
| 39. | Whether Condition 8(a) of the Notes applies (in which case Condition 7(b) of the Notes will not apply) or whether Condition 8(b) of the Notes applies: | [Condition 8(a) applies and Condition 7(b) does not apply] [Condition 8(b) and Condition 7(b) apply]  |
|     | <b>DISTRIBUTION</b>  |   |
| 40. | (i) If syndicated, names of Dealers and underwriting commitments:  | [Not Applicable/ <i>give names and underwriting commitments</i> ]<br><br><i>(Include names of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or an a "best efforts" basis if such entities are not the same as the Dealers)</i><br><br><i>(Give an indication of the material features of the agreements, including the quotas).</i><br><br><i>(Where not all of the issue is underwritten, include a statement of the portion not covered)</i><br><br><i>[Please note that the process for notification to potential investors of the amount allotted will be provided for by the Dealer(s)]</i> |
|     | (ii) If non-syndicated, name of relevant Dealer:   | [...]   |
|     | (iii) Stabilising Manager (if any):  | [Not Applicable/ <i>give name</i> ]   |
|     | (iv) Date of Subscription Agreement:   | [Not Applicable/[...]]  |
|     | (v) Total commission and concession:   | [...] per cent. of the aggregate nominal amount/Certain fees or commissions will be payable to third party distributors and/or the Notes will be sold at a discount to the Issue Price on the primary sale of the Notes/Not Applicable/ <i>(Specify if other)</i>   |
|     |  | [Not Applicable]  |
| 41. | U.S. Selling Restrictions:   | Regulation S Compliance Category 2<br>[TEFRA D/TEFRA C/TEFRA Not Applicable]  |
| 42. | Public Offer   | [Not Applicable] [A Public Offer of the Notes may be made by the Dealers [and <i>specify, if applicable</i> ] (together [with the Dealers], the " <b>Initial Authorised Offerors</b> ") [and any other Authorised Offerors in accordance with paragraph [ ] below] [Belgium/Luxembourg/ the Netherlands /[ ]] (the " <b>Public Offer Jurisdictions</b> ") during the period from <i>specify date</i> until <i>specify date</i> (the " <b>Offer Period</b> ").   |
| 43. | General Consent  | [Applicable/Not Applicable]   |

## PART B - OTHER INFORMATION

### LISTING AND ADMISSION TO TRADING

[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the, Luxembourg Stock Exchange/ Euronext in Amsterdam] with effect from[, at the earliest, the Issue Date/(insert date)].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Luxembourg Stock Exchange/Euronext in Amsterdam] with effect from[, at the earliest, the Issue Date/(insert date).] [Not Applicable]] [Listing Agent: *specify listing agent*]

(where documenting a fungible issue indicate that original Notes are already admitted to trading)

### INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the Dealers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. - *Amend as appropriate if there are other interests*]

### OPERATIONAL INFORMATION

1. Relevant clearing and/or settlement system(s): [Euroclear/Clearstream, Luxembourg/Euroclear Netherlands/any other applicable settlement institution]
2. Any clearing and/or settlement system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s) and address(es)]
3. Delivery: Delivery [against/free of] payment
4. Debt Issuance Programme number: [...]
5. Additional Paying Agent(s) (if any): [...]
6. Offer Period/application process: [[The offer of the Notes is expected to open at [...] hours ([...] time) on [...] and close at [...] hours ([...] time) on [...] or such earlier or later date or time as the Issuer may determine and will be announced in [...].]

[The Issuer reserves the right to withdraw the offer of the Notes until [...] at the latest. Such withdrawal will be announced in the aforementioned publications.]

[The aggregate principal amount of the Notes to be issued and allotted will be announced by the Issuer at [...] hours ([...] time) on [...] or such earlier or later date or time as the Issuer may determine and will be announced in the aforementioned publications.]

[The Issuer reserves the right to increase or decrease the aggregate principal amount of the Notes to be issued. Such increase or decrease will be announced in the aforementioned publications]

[[No]/D/d]ealing in the Notes will be possible before the aggregate principal amount of the Notes is announced as set out above.]

[Not Applicable]

[The offer price is [equal to the Issue Price] [...]]

7. Reduction of subscriptions: [Subscriptions in excess. If the Issuer determines to increase or decrease the aggregate principal amount of the Notes to be issued this will be announced by the Issuer at [...] hours ([...] time) on [...] or such earlier or later date or time as the Issuer may determine and will be announced in the aforementioned publications.]
8. Maximum and minimum subscription amount: [...] and [...]
9. Method and time limit for paying up the securities and for delivery of the securities: [...]
10. Procedure for exercise of any right of pre-emption the negotiability of subscription rights and the treatment of subscription rights not exercised: [...]
11. Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]
- [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]
12. Indication of yield (*Fixed Rate Notes only*): [Calculated as [...] on the Issue Date] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
13. ISIN: [...]
- Common code: [...]
- Other relevant code: [...]
14. Ratings: [The Notes to be issued have not been rated.]
- [The Notes to be issued [have been rated][are expected to be rated]:

- [S & P: [...]
- [Fitch: [...]
- [Other: Include here a brief explanation of the meaning of the ratings if this deviates from the explanations given in "General Information" published by the rating provider.] \*\*
- [[Insert the full legal name of credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]
- [[Insert the full legal name of credit rating agency] is established in the European Union and registered under Regulation (EC) No 1060/2009.]
- (ii) Notification: The [AFM] [has been requested to provide/has provided (*include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues*)] the [Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg/the Financial Services and Markets Authority in Belgium (FSMA)/Specify other] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive as implemented in the Netherlands.]
15. Identification of the sources of third party information, if applicable: [Not Applicable / [...]]
16. Reasons for the offer, estimated net proceeds and total expenses: \*
- (i) Reasons for the offer: [...]
- (See [*'Use of Proceeds'*] wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]
- (ii) Estimated net proceeds: [...]
- (If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)
- (iii) Estimated total expenses: [...] [Include breakdown of expenses]
17. Details of historic [LIBOR/EURIBOR/CMS London/CMS Brussels] rates can be obtained from [Reuters Screen].]\* (Not Applicable for Fixed Rate Notes, Fixed Rate Reset Notes and Zero Coupon Notes)

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\* Delete if denomination is at least EUR 100,000.

18. **TERMS AND CONDITIONS OF THE OFFER** \*

|   |  |
|---|--|
| Conditions to which the offer is subject:   | [Offers of the Notes are conditional on their issue. As between the Authorised Offerors and their customers, offers of the Notes are further subject to conditions as may be agreed between them and/or as specified in the arrangements in place between them.]   |
| Total amount of the offer; if the amount is not fixed, description of the arrangements and time for announcing the definitive amount to the public: | [ ]  |
| Description of the application process, including offer period, including any possible amendments, during which the offer will be open:             | [A prospective Noteholder should contact the applicable Authorised Offeror in the applicable Public Offer Jurisdiction prior to the end of the Offer Period. A prospective Noteholder will subscribe for the Notes in accordance with the arrangements existing between such Authorised Offeror and its customers relating to the subscription of securities generally. Noteholders will not be required to enter into any contractual arrangements directly with the Issuer in connection with the subscription of the Notes.][ ] |
| Description of possibility to reduce subscriptions:   | [Not Applicable/ <i>give details</i> ]   |
| Description of manner for refunding excess amount paid by applicants:   | [Not Applicable/ <i>give details</i> ]   |
| Details of the minimum and/or maximum amount of application:  | [There are no pre-identified allotment criteria. The Authorised Offeror will adopt allotment criteria in accordance with customary market practices and applicable laws and regulations.][ ]   |
| Details of the method and time limits for paying up and delivering the Notes:   | [Investors will be notified by the relevant Authorised Offeror of their allocations of Notes and the settlement arrangements in respect thereof.][ ]   |
| Manner in and date on which results of the offer are to be made public:   | [Investors will be notified by the applicable Authorised Offeror of their allocations of Notes and the settlement procedures in respect thereof on or around <i>[date]</i> .][ ]   |
| Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:        | [Not Applicable/ <i>give details</i> ]   |
| Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:                   | [Offers may be made by the Authorised Offerors in each of the Public Offer Jurisdictions to any person during the Offer Period. In other EEA countries and in all jurisdictions (including the Public Offer Jurisdictions) outside of the Offer Period, offers will only be made by the <i>[Dealers]</i> pursuant to an exemption under the Prospectus Directive, as implemented in such countries. All offers of the Notes will be made in compliance with all applicable laws and regulations.][ ]                               |

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\* Delete if denomination is at least EUR 100,000.

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [Prospective Noteholders will be notified by the relevant Authorised Offeror in accordance with the arrangements in place between such Authorised Offeror and the prospective Noteholders.]

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: The Initial Authorised Offerors identified in paragraph 39 of Part A above [and any additional Authorised Offerors who have or obtain the Issuer's consent to use the Prospectus in connection with the Public Offer and who are identified on the Issuer's website as an Authorised Offeror] (together, the "Authorised Offerors").

Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not Applicable/give details]

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for [the public offer in the Public Offer Jurisdiction(s) and/or] listing and admission to trading on [Euronext in Amsterdam/the Luxembourg Stock Exchange] of the Notes described herein pursuant to the EUR 5,000,000,000 Debt Issuance Programme of F. van Lanschot Bankiers N.V.<sup>1</sup>

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. The Issuer accepts responsibility accordingly.

These Final Terms or any other information supplied in connection with the Programme should not be considered as a recommendation by the Issuer, the Arranger or any of the Dealers that any recipient of these Final Terms or any other information supplied in connection with the Programme should purchase any Notes. Accordingly, no representation, warranty or undertaking, expressly or implied, is made and no responsibility is accepted by the Arranger or the Dealers or any of their respective affiliates in their capacity as such, as to the accuracy or completeness of the information contained in these Final Terms or any other information provided by the Issuer or Van Lanschot N.V., the sole shareholder of the Issuer.

[...] has been extracted from [...]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [...], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

Signed on behalf of the Issuer:

-----  
By:  
Duly authorised officer

-----  
By:  
Duly authorised officer

<sup>1</sup> [attach an issue specific summary for tranches of Notes that are Public Offer Notes and/or have a denomination of less than EUR 100,000].

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of Notes to be issued by the Issuer which will be incorporated by reference into each Global Note and which will be endorsed on (or, if permitted by the rules of the relevant stock exchange and agreed between the Issuer and the relevant Dealer, incorporated by reference into) each Note in the standard euromarket form. The applicable Final Terms will be endorsed on, incorporated by reference into, or attached to, each Global Note and Definitive Note in the standard euromarket form. All capitalised terms that are not defined in these Terms and Conditions will have the meaning given to them in the applicable Final Terms. Reference should be made to 'Form of the Notes' above for a description of the content of Final Terms which includes the definition of certain terms used in the following Terms and Conditions.*

This Note is one of a Series (as defined below) of Notes issued by F. van Lanschot Bankiers N.V. (the "**Issuer**" or the "**Bank**"), pursuant to the Agency Agreement (as defined below). References to the Issuer are solely to F. van Lanschot Bankiers N.V. and do not include its subsidiaries. References to subsidiaries are to subsidiaries as meant in Section 2:24a of the Netherlands Civil Code. References herein to the "Notes" (which expression shall include Senior Notes and Subordinated Notes, each as defined below) shall be references to the Notes of this Series and shall mean (i) in relation to any Notes represented by a global note (the "**Global Note**"), units of the lowest Specified Denomination in the Specified Currency, (ii) definitive notes (the "**Definitive Notes**") issued in exchange for a Global Note and (iii) any Global Note. The Notes, the Receipts (as defined below) and the Coupons (as defined below) also have the benefit of an amended and restated agency agreement to be dated on 17 April 2015 as amended and restated from time to time (the "**Agency Agreement**") made between the Issuer, Deutsche Bank AG, London Branch as issuing and principal paying agent and agent bank (in such capacity the "**Agent**", which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents).

Interest bearing Definitive Notes in the standard euromarket form (unless otherwise specified) have interest coupons ("**Coupons**") and talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons. Definitive Notes in the standard euromarket form repayable in instalments have receipts ("**Receipts**") for the payment of the instalments of principal (other than the final instalment) attached on issue. Global Notes do not have Receipts, Coupons or Talons attached on issue. Any reference herein to "**Noteholders**" shall mean the holders of the Notes, and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to "**Receiptholders**" shall mean the holders of the Receipts and any reference herein to "**Couponholders**" shall mean the holders of the Coupons, and shall, unless the context otherwise requires, include the holders of the Talons. Any holders mentioned above include those having a credit balance in the collective depots held by Euroclear Netherlands or one of its participants under the Wge.

References in these Terms and Conditions (the "**Conditions**") to "**Coupons**" will include references to Coupon sheets where applicable.

The Final Terms for this Note are endorsed hereon or attached hereto or applicable hereto or incorporated by reference herein and supplements these Terms and Conditions. References herein to the "applicable Final Terms" are to the Final Terms for this Note. All capitalised terms that are not defined in these Terms and Conditions will have the meaning given to them in the applicable Final Terms.

As used herein, "**Tranche**" means Notes which are identical in all respects and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects from the date on which such consolidation is expressed to take effect except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Agency Agreement and the Final Terms applicable to this Note are available at the specified offices of each of the Agent and the other Paying Agents save that the Final Terms relating to an unlisted Note will only be available for inspection by a Noteholder upon such Noteholder producing evidence as to identity satisfactory to the relevant Paying Agent. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the applicable Final Terms which are binding on them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.



Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated, provided that in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In these Terms and Conditions:

***General Definitions:***

**Additional Financial Centre** any financial centre, specified as such, in the applicable Final Terms.

**Affiliate** any entity controlled directly or indirectly, by the Issuer, any entity that controls, directly or indirectly, the Issuer, or any entity under common control with the Issuer. As used herein **control** means the ownership of a majority of the voting power of the entity and **controlled** by and **controls** shall be construed accordingly.

**Amortised Face Amount** has the meaning specified in Condition 7(g)(iii).

**Arranger** Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank).

**Arrears of Interest** has the meaning specified in Condition 5(e).

**Bearer Note** any Note in bearer form.

**Broken Amount** the amount specified as such in the applicable Final Terms.

**Business Day** a day which is both:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation and any Additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency (as specified in the applicable Final Terms) other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre(s) of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Wellington, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET is open.

**Calculation Agent** the Issuer or, if different, the entity as specified in the applicable Final Terms. All determinations and calculations made by the Calculation Agent shall be made by it in its sole discretion and in good faith, acting reasonably and on an arm's-length basis. All such determinations and calculations so made shall be final and binding (save in the case of manifest error) on all parties. The Calculation Agent shall have no liability or responsibility to any person in relation to the determinations or calculations provided in connection herewith, except in the case of wilful default or bad faith.

|   |  |
|---|--|
| <b>Calculation Amount</b>                   | if there (i) is only one Specified Denomination, the Specified Denomination of the relevant Notes, or (ii) are several Specified Denominations, the highest common factor of those Specified Denominations.  |
| <b>Change of Interest Basis Option</b>      | has the meaning specified in Condition 5(e).   |
| <b>Change of Interest Basis Option Date</b> | the date specified as such in the applicable Final Terms.  |
| <b>Clearstream, Luxembourg</b>              | Clearstream Banking, société anonyme.  |
| <b>CMS</b>                                  | fixed-for-floating interest rate swap rate where the rate on one side of the swap is (either fixed or) reset periodically at or relative to a market interest rate and the constant maturity side of the swap is reset each period according to a regularly available fixed maturity market rate.  |
| <b>CMS Brussels</b>                         | CMS relating to the Euro-zone inter-bank market as specified in the applicable Final Terms.  |
| <b>CMS London</b>                           | CMS relating to the London inter-bank market as specified in the applicable Final Terms.   |
| <b>Day Count Fraction</b>                   | <p>in respect of the calculation of an amount of interest for any Interest Period:</p> <ul style="list-style-type: none"> <li>(i) if 'Actual/365', 'Actual/Actual (ISDA)' or 'Actual/Actual' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);</li> <li>(ii) if 'Actual/365 (Fixed)' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;</li> <li>(iii) if 'Actual/365 (Sterling)' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;</li> <li>(iv) if 'Actual/360' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;</li> <li>(v) if '30/360', '360/360' or 'Bond Basis' is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula based as follows:</li> </ul> $\frac{\text{Day Count Fraction} = [360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$ |

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

(vi) if '30E/360' or 'Eurobond Basis' is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D<sub>2</sub> will be 30;

(vii) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\frac{\text{Day Count Fraction} = [360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and in which case D<sub>2</sub> will be 30;

(viii) if 'Actual/Actual (ICMA)' is specified in the applicable Final Terms, (A) if the Interest Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Interest Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and (B) if the Interest Period is longer than one Determination Period, the sum of: (x) the number of days in such Interest Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and (y) the number of days in such Interest Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year.

**Determination Period**

each period from (and including) an Interest Determination Date to (but excluding) the next Interest Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not an Interest Determination Date, the period commencing on the first Interest Determination Date prior to, and ending on the first Interest Determination Date falling after, such date).

**Distribution Compliance Period**

the period that ends 40-days after the completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer(s) (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue).

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| <b>DNB</b>                           | Dutch Central Bank ( <i>De Nederlandsche Bank N.V.</i> ).  |
| <b>Documents</b>                     | has the meaning specified in Condition 17(a)(i).   |
| <b>Early Redemption Amount</b>       | an amount equal to the market value of each Note on the date of redemption, adjusted, if so specified in the applicable Final Terms, to account for Early Redemption Unwind Costs.   |
| <b>Early Redemption Unwind Costs</b> | the amount specified as such in the applicable Final Terms or, if Standard Early Redemption Unwind Costs are specified in the applicable Final Terms, an amount determined by the Calculation Agent in its sole and absolute discretion equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer, or its Affiliates, in connection with the redemption of the Notes and the related termination, settlement or re-establishment of any hedge or related trading position, such amount to be apportioned pro rata amongst each nominal amount of Notes in the Specified Denomination. |
| <b>EURIBOR</b>                       | the Euro-zone inter-bank offered rate.   |
| <b>euro, Euro or EUR</b>             | the lawful currency of the Member States of the European Union that have adopted the single currency in accordance with the Treaty on the functioning of the European Union, as amended from time to time.   |
| <b>Euroclear</b>                     | Euroclear Bank S.A./N.V.   |
| <b>Euroclear Netherlands</b>         | Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.   |
| <b>Eurosystem</b>                    | the central banking system for the euro.   |
| <b>Established Rate</b>              | the rate for conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into Euro established by the Council of the European Union pursuant to Article 123 of the Treaty.   |
| <b>Exchangeable Bearer Notes</b>     | any Bearer Note which is in the applicable Final Terms expressed to be exchangeable for a definitive Note.   |
| <b>Exchange Event</b>                | <ul style="list-style-type: none"> <li>(i) an Event of Default (as defined in Condition 10) has occurred and is continuing or</li> <li>(ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg and/or if applicable Euroclear Netherlands and/or if applicable, any other settlement system has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing and/or settlement system is available.</li> </ul>   |
| <b>Exchange Notice</b>               | has the meaning specified in Condition 4.  |
| <b>Extraordinary Resolution</b>      | a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions herein contained by a majority consisting of not less than 75 per cent. of  |

the persons voting thereat upon a show of hands or if a poll be duly demanded then by a majority consisting of not less than 75 per cent. of the votes given on such poll.

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| <b>Final Redemption Amount</b>               | an amount equal to the nominal amount of each Note, unless otherwise specified in these Conditions.   |
| <b>First Reset Rate</b>                      | has the meaning specified in Condition 5(a)(II).  |
| <b>Fixed Reset Rate Relevant Screen Page</b> | has the meaning specified in Condition 5(a)(II).  |
| <b>Fixed Coupon Amount</b>                   | the amount specified as such in the applicable Final Terms.   |
| <b>Fixed Rate of Interest</b>                | any fixed rate of interest specified as such in the applicable Final Terms.   |
| <b>Fixed Interest Period</b>                 | the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or Maturity Date. |
| <b>Fixed Rate Note</b>                       | any Note to which a Fixed Rate of Interest applies as specified in the applicable Final Terms.  |
| <b>Fixed Rate Reset Note</b>                 | any Note to which Fixed Rate Reset Note provisions apply described in Condition 5(a)(II) and as specified in the applicable Final Terms.                                    |
| <b>Floating Rate Convention</b>              | has the meaning specified in Condition 5(b)(i).   |
| <b>Floating Rate</b>                         | any floating interest rate specified as such in the applicable Final Terms.   |
| <b>Floating Rate Note</b>                    | any Note to which a Floating Rate applies as specified in the applicable Final Terms.   |
| <b>Following Business Day Convention</b>     | has the meaning specified in Condition 5(b)(i).   |
| <b>Holder</b>                                | the holder of any Note, Receipt, Coupon or Talon.   |
| <b>Initial Interest Basis</b>                | the initial interest basis applicable on the Issue Date as specified in the applicable Final Terms.   |
| <b>Instalment Amount</b>                     | the amount specified as such in the applicable Final Terms.   |
| <b>Instalment Date</b>                       | the date specified as such in the applicable Final Terms.   |
| <b>Instalment Note</b>                       | any Note that may be repayable in two or more instalments as specified in the applicable Final Terms.   |
| <b>Interest Amount</b>                       | has the meaning specified in Condition 5(b)(iv).  |
| <b>Interest Basis Option Date</b>            | the interest basis option date as specified in the applicable Final Terms.  |
| <b>Interest Basis Option Period</b>          | the interest basis option period as specified in the applicable Final Terms.  |
| <b>Interest Commencement Date</b>            | the Issue Date unless otherwise specified in the applicable Final Terms.  |

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| <b>Interest Determination Date</b>                | the interest determination date as specified in the applicable Final Terms.  |
| <b>Interest Payment Date(s)</b>                   | has the meaning specified in Condition 5(b)(i).  |
| <b>Inverse Floating Rate</b>                      | any inverse floating rate of interest specified as such in the applicable Final Terms.   |
| <b>Inverse Floating Rate Note</b>                 | any Note to which an Inverse Floating Rate applies as specified in the applicable Final Terms.   |
| <b>ISDA Definitions</b>                           | has the meaning specified in Condition 5(b)(ii)(A).  |
| <b>ISDA Determination</b>                         | the method for determining the interest rate of Floating Rate Notes as specified in Condition 5(b)(ii)(A).   |
| <b>ISDA Rate</b>                                  | has the meaning specified in Condition 5(b)(ii)(A).  |
| <b>Issue Date</b>                                 | the issue date specified as such in the applicable Final Terms.  |
| <b>Issue Price</b>                                | the issue price of the Notes specified as such in the applicable Final Terms.  |
| <b>Issuer Call Option</b>                         | has the meaning specified in Condition 7(c).   |
| <b>LIBOR</b>                                      | the London inter-bank offered rate.  |
| <b>Linear Interpolation</b>                       | the method for determining the interest rate of Floating Rate Notes as specified in Condition 5(b)(v).   |
| <b>London Business Day</b>                        | has the meaning specified in Condition 5(b)(vi).   |
| <b>Long Maturity Note</b>                         | has the meaning specified in Condition 6(b).   |
| <b>Margin</b>                                     | the margin applicable to the Notes specified as such in the applicable Final Terms.  |
| <b>Maturity Date</b>                              | the date of maturity of the Notes as specified in the applicable Final Terms.  |
| <b>Maximum Rate of Interest</b>                   | the maximum rate of interest specified as such in the applicable Final Terms.  |
| <b>Mid-Swap Rate</b>                              | has the meaning specified in Condition 5(a)(II).   |
| <b>Minimum Rate of Interest</b>                   | the minimum rate of interest specified as such in the applicable Final Terms or if no such rate is stated the Minimum Rate of Interest shall be deemed zero.   |
| <b>Modified Following Business Day Convention</b> | has the meaning specified in Condition 5(b)(i).  |
| <b>Moratorium</b>                                 | has the meaning specified in Condition 3.  |
| <b>Noteholder</b>                                 | the several persons who are for the time being holders of outstanding Notes being the bearers thereof save that, in respect of the Notes of any Series, for so long as the Notes or any part of them are represented by a Global Note held on behalf of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution each person (other than |

Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or such other applicable settlement institution) who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution as the holder of a particular nominal amount of the Notes of the Series (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution as to the nominal amount of the Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be deemed to be the holder of that nominal amount of Notes (and the holder of the relevant Global Note shall be deemed not to be the holder) for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the holder of the relevant Global Note shall be treated by the Issuer and any Paying Agent as the holder of the Notes in accordance with and subject to the terms of the relevant Global Note.

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| <b>Obligation or Obligations</b>     | has the meaning specified in Condition 2.  |
| <b>Obligatory Redemption</b>         | if specified as applicable in the applicable Final Terms, the obligation of the Issuer to redeem the Notes on the applicable Obligatory Redemption Date(s) by payment of the applicable Obligatory Redemption Amount.  |
| <b>Obligatory Redemption Amount</b>  | if Obligatory Redemption is specified as applicable in the applicable Final Terms, an amount as specified in the applicable Final Terms, and if no such amount is specified, the nominal amount of such Note.  |
| <b>Obligatory Redemption Date(s)</b> | if Obligatory Redemption is specified as applicable in the applicable Final Terms the date(s) specified in the applicable Final Terms as being the Obligatory Redemption Date(s).  |
| <b>Optional Redemption Amount</b>    | an amount specified as such in the applicable Final Terms, and if no such amount is specified, the nominal amount of such Note.  |
| <b>Optional Redemption Date(s)</b>   | if specified as applicable in the applicable Final Terms, the date(s) designated and notified by the Issuer to the Noteholders (in the event an Issuer Call Option is applicable) or by the Noteholders to the Issuer (in the event Put Option is declared applicable).  |
| <b>Own Funds</b>                     | the amount of shareholders' and other funds which qualify as actual own funds ( <i>toetsingsvermogen</i> ) under <i>Besluit Prudentiële Regels Wft</i> .   |
| <b>Partly Paid Note</b>              | any Note where the issue price is payable in more than one instalment as specified in the applicable Final Terms.  |
| <b>Payment Day</b>                   | any day (subject to Condition 9) which is both:<br><br>(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:<br><br>a. the case of Notes in definitive form only, the relevant place of presentation; and |



- b. any Additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Additional Financial Centre and which if the Specified Currency is Australian Dollars or New Zealand Dollars shall be Sydney or Wellington respectively) or (2) in relation to any sum payable in Euro, a day on which the TARGET is open.

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| <b>Permanent Global Note</b>             | a permanent global Note in bearer form.   |
| <b>Preceding Business Day Convention</b> | has the meaning specified in Condition 5(b)(i).   |
| <b>Put Notice</b>                        | has the meaning specified in Condition 7(d).  |
| <b>Put Option</b>                        | has the meaning specified in Condition 7(d).  |
| <b>Rate of Interest</b>                  | either the Fixed Rate or Fixed Rate Reset of Interest, Floating Rate or Inverse Floating Rate as specified in the applicable Final Terms.   |
| <b>Redeemed Notes</b>                    | has the meaning specified in Condition 7(c).  |
| <b>Redenomination Date</b>               | in the case of interest bearing notes, any date for payment of interest under the Notes or, in the case of Zero Coupon Notes, any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph (a) of Condition 4 and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union. |
| <b>Reference Banks</b>                   | has the meaning specified in Condition 5(a)(II) or Condition 5(b)(ii)(B) (whichever is applicable).   |
| <b>Reference Price</b>                   | the reference price specified as such in the applicable Final Terms.  |
| <b>Reference Rate</b>                    | the rate specified as such in the applicable Final Terms being either CMS London, CMS Brussels, EURIBOR or LIBOR.   |
| <b>Regulatory Event</b>                  | has the meaning specified in Condition 7(n).  |
| <b>Relevant Indebtedness</b>             | has the meaning specified in Condition 2.   |
| <b>Relevant Regulator</b>                | means DNB and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer, as determined by the Issuer.   |
| <b>Relevant Screen Page</b>              | such page, section, caption or column or other part of a particular information service as may be specified in the applicable Final Terms.  |

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| <b>Representative Amount</b>           | has the meaning specified in Condition 5(a)(II).  |
| <b>Reset Date</b>                      | has the meaning specified in Condition 5(a)(II).  |
| <b>Reset Determination Date</b>        | has the meaning specified in Condition 5(a)(II).  |
| <b>Reset Determination Time</b>        | has the meaning specified in Condition 5(a)(II).  |
| <b>Reset Period</b>                    | has the meaning specified in Condition 5(a)(II).  |
| <b>Reset Reference Bank Rate</b>       | has the meaning specified in Condition 5(a)(II).  |
| <b>Screen Rate of Interest</b>         | has the meaning specified in Condition 5(b)(ii)(B).   |
| <b>Screen Rate Determination</b>       | the method for determining the interest rate of Floating Rate Notes as specified in Condition 5(b)(ii)(B).  |
| <b>Securities Act</b>                  | the United States Securities Act of 1933, as amended.   |
| <b>Security or Securities</b>          | has the meaning specified in Condition 2.   |
| <b>Selection Date</b>                  | has the meaning specified in Condition 7(c).  |
| <b>Senior Note</b>                     | any Note, specified as such in the Final Terms, that constitutes an unsecured and unsubordinated obligation of the Issuer and ranks <i>pari passu</i> without any preference with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law.  |
| <b>Specified Currency</b>              | the currency of the Notes specified as such in the applicable Final Terms.  |
| <b>Specified Denomination or SD</b>    | the denomination of the Notes specified as such in the applicable Final Terms.  |
| <b>Specified Interest Payment Date</b> | the interest payment date specified as such in the applicable Final Terms.  |
| <b>Specified Time</b>                  | has the meaning specified in Condition 5(b)(ii)(B).   |
| <b>Specified Period</b>                | has the meaning specified in Condition 5(b)(i).   |
| <b>Subordinated Holders</b>            | has the meaning specified in Condition 3.   |
| <b>Subordinated Note</b>               | any Note, specified as such in the Final Terms, that, subject to the terms set out in Condition 3, constitutes an unsecured and subordinated obligation of the Issuer and ranks <i>pari passu</i> without any preference with all other present and future unsecured and subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law or those subordinated obligations expressed by their terms to be subordinated to such Notes. |
| <b>Subsequent Interest Basis</b>       | subject to the conditions set out in Condition 5(e) the interest basis specified as such in the applicable Final Terms that shall commence to apply upon exercise of the the Change of Interest Basis Option.   |
| <b>Subsequent Reset Rate</b>           | has the meaning specified in Condition 5(a)(II).  |

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| <b>Substituted Debtor</b>    | has the meaning specified in Condition 17(a).   |
| <b>sub-unit</b>              | with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent. |
| <b>TARGET</b>                | the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system, launched on 19 November 2007, which utilises a single shared platform.                               |
| <b>Temporary Global Note</b> | a temporary global Note in bearer form.   |
| <b>Tier 2 Notes</b>          | has the meaning specified in Condition 3.   |
| <b>Treaty</b>                | the Treaty establishing the European Community, as amended.   |
| <b>Wft</b>                   | has the meaning specified in Condition 3.   |
| <b>Wge</b>                   | has the meaning specified in Condition 1.   |
| <b>Zero Coupon Notes</b>     | notes during the term of which no interest shall become due and payable. The applicable Final Terms will specify whether the Tranche constitutes Zero Coupon Notes or not.                    |

## **1. Form, Denomination and Title**

The Notes are in bearer form and, in the case of Definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s).

This Note may be a Senior Note or a Subordinated Note, as specified in the applicable Final Terms.

This Note may be a Fixed Rate Note, a Fixed Rate Reset Note, a Floating Rate Note, an Inverse Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

This Note may be an Instalment Note or a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Final Terms.

Notes in definitive form are issued with Coupons attached and, if applicable, Talons, unless they are Zero Coupon Notes in which case references to Coupons and Coupon holders in these Terms and Conditions are not applicable.

Notes will be in a denomination or denominations (each of which denominations must be integrally divisible by each smaller denomination) specified in the relevant Final Terms. Notes of one denomination will not be exchangeable after their initial delivery for Notes of any other denominations, subject to Condition 4. Subordinated Notes will have a minimum denomination of at least EUR 100,000 (or its equivalent in any other currency).

Subject as set out below, title to the Notes, Receipts and Coupons will pass by delivery. For Notes held by Euroclear Netherlands or otherwise in the settlement system under the Wge deliveries will be made in accordance with the Wge and the regulations of Euroclear Netherlands. Except as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer, the Agent and any Paying Agent may deem and treat the bearer of any Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For as long as any of the Notes is represented by a Global Note held by or on behalf of Euroclear and/or Clearstream Banking, Luxembourg and/or the Euroclear Netherlands and/or any other applicable settlement institution each person (other than Euroclear, Euroclear Netherlands, Clearstream, Luxembourg or such other

applicable settlement institution) who is for the time being shown in the records of Euroclear, Clearstream Netherlands, Clearstream, Luxembourg or such other applicable settlement institution as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Euroclear Netherlands, Clearstream, Luxembourg or such other applicable settlement institution as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and any Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer and any Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant Global. Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Euroclear Netherlands, Clearstream, Luxembourg or any other relevant settlement system, as the case may be.

In case of Notes represented by a permanent Global Note deposited with Euroclear Netherlands, a Noteholder shall have no right to request delivery (*uitlevering*) thereof under the Wge other than as set out in the Global Note.

## 2. Status of the Senior Notes and Negative Pledge

The Senior Notes and the relative Receipts and Coupons constitute unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law.

As long as the Senior Notes or any relative Receipts or Coupons remain outstanding, the Issuer will not secure by lien, pledge or other charge upon the whole or part of its assets or revenues any present or future Relevant Indebtedness (as defined below) without at the same time securing the Senior Notes, Receipts or Coupons, as the case may be, equally and rateably with such Relevant Indebtedness or providing such other security as the Noteholders may approve by an Extraordinary Resolution.

"**Relevant Indebtedness**" means

- (a) any lien, debt, guarantee or other obligation of the Issuer or any of its subsidiaries (each an "**Obligation**" and together the "**Obligations**") which is represented by notes, bonds, debentures, debenture stock, loan stock or other securities offered, issued or distributed, whether by way of public offer, private placement, acquisition consideration or otherwise, whether issued for cash or in whole or in part for a consideration other than cash and whether listed (or capable of being listed) on any stock exchange or over-the-counter or other similar securities market or not (each such note, bond, debenture, debenture stock, loan stock or other security, a "**Security**" and together the "**Securities**"), but
- (b) excluding Obligations represented by Securities, which are (i) issued on the basis of and in accordance with the legal and regulatory requirements applicable to such Securities and which (ii) by virtue of law give the holders of such Securities a mandatory right of preference on the revenues of a mortgage portfolio of the Issuer or such subsidiary of the Issuer which Obligations shall not exceed 15 per cent.

## 3. Status and Characteristics relating to Subordinated Notes

Subject to the following paragraph, the Subordinated Notes and the relative Receipts and Coupons constitute unsecured and subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and with all other present and future unsecured and subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law or those subordinated obligations expressed by their terms to be subordinated to the Subordinated Notes.

The claims of the holders of the Subordinated Notes of this Series and the relative Receipts and Coupons (the "**Subordinated Holders**") against the Issuer are:

- (i) in the event of the liquidation (*ontbinding*) or bankruptcy (*faillissement*) of the Issuer; or
- (ii) in the event that a competent court has declared that the Issuer is subjected to emergency regulations (*noodregeling*) as referred to in Article 3:160 of the Wft and for so long as such situation is in force (such situation being hereinafter referred to as a "**Moratorium**"),

subordinated to (a) the claims of depositors, (b) unsubordinated claims with respect to the repayment of borrowed money and (c) other unsubordinated claims.

By virtue of such subordination, payments to a Subordinated Holder will, in the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium with respect to the Issuer, only be made after, and any set-off by a Subordinated Holder shall be excluded until, all obligations of the Issuer resulting from deposits, unsubordinated claims with respect to the repayment of borrowed money and other unsubordinated claims have been satisfied.

For the purposes of the CRD IV Regulation to which the Issuer is subject, the Subordinated Notes of this Series may qualify as Tier 2 capital of the Issuer ("**Tier 2 Notes**"), as referred to in the CRD IV Regulation, as specified in the applicable Final Terms.

*In respect of this Condition 3, reference is made to new powers which may be granted by way of statute to the Relevant Regulator pursuant to which the Notes could, in certain circumstances, become subject to a determination by the Relevant Regulator or the Issuer (following instructions from the Relevant Regulator) that all or part of the principal amount of the Notes, including accrued but unpaid interest in respect thereof, must be written off, converted into common equity Tier 1 capital or otherwise be applied to absorb losses as more fully described in the risk factors entitled 'Bank Recovery and Resolution Directive and SRM' and 'Change of law' in the section 'Risk Factors' above.*

#### **4. Redenomination**

Where redenomination is specified in the applicable Final Terms, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders, on giving prior notice to the Agent, Euroclear and/or Clearstream, Luxembourg and, if applicable, Euroclear Netherlands or any other applicable settlement institution and at least 30 days' prior notice to the Noteholders in accordance with Condition 14, elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in Euro.

Subject to any applicable regulations, the election will have effect as follows:

- (i) the Notes and the Receipts shall be deemed to be redenominated into Euro with a nominal amount for each Note and Receipt equal to the nominal amount of that Note or Receipt in the Specified Currency, converted into Euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Agent, the market practice at that time in respect of the redenomination in Euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;
- (ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest € 0.01;
- (iii) if Definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in denominations of not less than € 100,000 (as determined by the Issuer in consultation with the Agent) and such other denominations as the Agent shall determine and notify to the Noteholders;
- (iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement Euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New Euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified

Currency in such manner as the Agent may specify in consultation with the Issuer where practicable and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;

- (v) on or after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in Euro as though references in the Notes to the Specified Currency were to Euro. Payments will be made in Euro by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee;
- (vi) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention; and
- (vii) if the Notes are Floating Rate Notes, the Issuer may adjust the reference rate of the Notes to any of LIBOR, EURIBOR, CMS London or CMS Brussels and, if required, any or all Interest Payment Dates as it deems necessary in accordance with the then pertaining market practice taking into account the redenomination and in order to preserve the economic equivalent of the obligations of the Issuer in respect of interest under such Notes.

## 5. Interest

### *(a)(I) Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrears on the Interest Payment Date(s) in each year and on the Maturity Date (if that does not fall on an Interest Payment Date).

The amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount, unless, if so specified in the applicable Final Terms, a Broken Amount is specified with respect to a particular Fixed Interest Period, in which case the specified Broken Amount will be payable on the Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination (or the Calculation Amount if one is specified), multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. If a Calculation Amount is specified to be applicable, the amount of interest payable in respect of a Note shall be calculated by multiplying the amount of interest (determined in the manner provided above) for the Calculation Amount by the amount by which the Calculation Amount must be multiplied to reach the Specified Denomination of such Note without any further rounding.

### *(a)(II) Interest on Fixed Rate Reset Notes*

#### *(i) Accrual of interest*

Each Fixed Rate Reset Note bears interest:

(A) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the rate per annum equal to the Initial Interest Rate as specified in the applicable Final Terms;

(B) from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if none, the Maturity Date (the **First Reset Period**) at the rate per annum equal to the First Reset Rate; and

(C) if applicable, from (and including) the Second Reset Date to (but excluding) the first Subsequent Reset Date (if any), and each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date (if any) or, if none, the Maturity Date (each a **Subsequent Reset Period**) at the rate per annum equal to the relevant Subsequent Reset Rate,

(in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) (each a **Rate of Interest**) payable, in each case, in arrear on the Interest Payment Date(s) in each year up to and including the Maturity Date.

Once the Rate of Interest is determined for a Reset Period, the provisions of Condition 5(a)(I) shall apply to Fixed Rate Reset Notes, as applicable, as if the Fixed Rate Reset Notes were Fixed Rate Notes.

In this Condition 5(a)(II):

**First Reset Rate** means the sum of the Reset Margin and the Mid-Swap Rate for the First Reset Period;

**Fixed Reset Rate Relevant Screen Page** means the display page on the relevant service (including, without limitation, Reuters) as specified in the applicable Final Terms or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Calculation Agent, for the purpose of displaying the relevant swap rates for swap transactions in the Specified Currency with an equivalent maturity to the Reset Period;

**Mid-Swap Rate** means, in relation to a Reset Date and the Reset Period commencing on that Reset Date, the rate for the Reset Date of, in the case of semi-annual or annual Interest Payment Dates, the semi-annual or annual swap rate, respectively (with such semi-annual swap rate to be converted to a quarterly rate in accordance with market convention, in the case of quarterly Interest Payment Dates) for swap transactions in the Specified Currency maturing on the last day of such Reset Period, expressed as a percentage, which appears on the Fixed Reset Rate Relevant Screen Page as of approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date. If such rate does not appear on the Fixed Reset Rate Relevant Screen Page, the Mid-Swap Rate for the Reset Date will be the Reset Reference Bank Rate for the Reset Period;

**Reference Banks** means five leading swap dealers in the interbank market for swap transactions in the Specified Currency with an equivalent maturity to the Reset Period as selected by the Issuer;

**Representative Amount** means an amount that is representative for a single transaction in the relevant market at the relevant time;

**Reset Date** means the First Reset Date, the Second Reset Date and each Subsequent Reset Date, as applicable;

**Reset Determination Date** means the date specified in the applicable Final Terms;

**Reset Determination Time** means the time specified in the applicable Final Terms;

**Reset Period** means the First Reset Period or any Subsequent Reset Period, as the case may be;

**Reset Reference Bank Rate** means, in relation to a Reset Date and the Reset Period commencing on that Reset Date, a percentage equal to the arithmetic mean (expressed as a percentage and rounded, if necessary, to the nearest 0.0001 per cent. (0.00005 per cent. being rounded upwards)) of the quotations provided by the Reference Banks of the rates at which swaps in the Specified Currency are offered by it at approximately the Reset Determination Time on the Reset Determination Date to participants in the swap market for the Specified Currency with an equivalent maturity to the Reset Period all as determined by the Calculation Agent. If at least three quotations are provided, the rate for the Reset Date will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two quotations are provided, it will be the arithmetic mean of the quotations provided. If only one quotation is provided, it will be the quotation provided. If no quotations are provided, the Mid-Swap Rate will be the Mid-Swap Rate for the immediately preceding Reset Period or, if none, the Initial Mid-Swap Rate; and

**Subsequent Reset Rate** means the sum of the applicable Mid-Swap Rate and the Reset Margin as determined by the Calculation Agent on the relevant Reset Determination Date.

*(ii) Notification of First Reset Rate of Interest, Subsequent Reset Rate of Interest and Interest Amount*

The Calculation Agent will cause the First Reset Rate of Interest, any Subsequent Reset Rate of Interest and each Interest Amount for each Reset Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Fixed Rate Reset Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day (as defined below) thereafter and, in the case of Fixed Rate Reset Notes admitted to the listing on the Luxembourg Stock Exchange and/or on Euronext in Amsterdam, cause each such Rate of Interest, Interest Amount and Interest Payment Date, as the case may be, to be notified to Euronext Amsterdam and/or the Luxembourg Stock Exchange, as the case may be, in accordance with the rules and regulations of such Stock Exchange. Each Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Fixed Rate Reset Notes are for the time being listed and to the Noteholders in accordance with Condition 14.

For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business in London.

*(iii) Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5a(II) by the Calculation Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, if applicable, the other Paying Agents and all the Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

*(b) Interest on Floating Rate Notes*

*(i) Interest Payment Dates*

Each Floating Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date and such interest will be payable in arrears on either:

- (A) the Specified Interest Payment Date(s) (each an "**Interest Payment Date**") in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- I. in any case where Specified Periods are specified in accordance with Condition 5(b)(i)(B) above, the "**Floating Rate Convention**", such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought



forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

- II. the "**Following Business Day Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- III. the "**Modified Following Business Day Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- IV. the "**Preceding Business Day Convention**", such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

If "**Unadjusted**" is specified the number of days in each Interest Period shall be calculated, for the purposes of determining the Interest Amount(s) only, as if the Interest Payment Date were not subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

If "**Adjusted**" is specified the number of days in each Interest Period shall be calculated, for the purposes of determining the Interest Amount(s) only, as if the Interest Payment Date is subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

(ii) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms on the following basis:

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as specified in the applicable Final Terms) the Margin (if any). If Inverse Floating Rate Notes is specified as applicable in the applicable Final Terms, the Rate of Interest for each Interest Period will be such Fixed Rate of Interest minus the relevant ISDA Rate plus or minus (as specified in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2000 ISDA Definitions or 2006 ISDA Definitions, as specified in the applicable Final Terms, as published by the International Swaps and Derivatives Association Inc. and to be obtained at the website [www.isda.org](http://www.isda.org), and as amended and updated as at the Issue Date of the first Tranche of the Notes (the "**ISDA Definitions**") and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is the period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is if the applicable Floating Rate Option is based on CMS London, CMS Brussels, LIBOR or EURIBOR, the first day of that Interest Period.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period ("**Screen Rate of Interest**") will, subject as provided below, be either:

- (1) the offered quotation for the Reference Rate (if there is only one quotation on the Relevant Screen Page);  
or

- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations (expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR or CMS London, or Brussels time, in the case of EURIBOR or CMS Brussels) on the Interest Determination Date in question plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more such offered quotations are available on the relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the relevant Screen Page is not available or if in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, the Agent shall request each of the Reference Banks (as defined below) to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time (as defined below) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall:

- (i) if the Reference Rate is EURIBOR or LIBOR, be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for the relevant Interest Period by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone interbank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period); and
- (ii) if the Reference Rate is CMS Brussels or CMS London, be the rate determined on the basis of the mid-market annual swap rate quotations provided by five leading swap dealers in the interbank swap market, as selected by the Calculation Agent in its sole discretion on the Interest Determination Date at approximately the Specified Time. The mid-market annual swap rate as referred to in the preceding sentence means the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating EUR interest rate swap transaction with a maturity equal to the term mentioned in the relevant interest rate swap transaction for in an amount that is representative for a single transaction in the relevant market commencing on the first day of the Interest Period with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to 6 months.

In this clause 5(b)(ii)(B):

the expression "**Reference Banks**" means, in the case of a determination of LIBOR or CMS London, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR or CMS Brussels, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent; and

the expression "**Specified Time**" means 11.00 a.m. (London time, in the case of a determination of LIBOR or CMS London, or Brussels time, in the case of a determination of EURIBOR or CMS Brussels).

If Inverse Floating Rate Notes is specified as applicable in the applicable Final Terms, the Rate of Interest for each Interest Period will be such Fixed Rate of Interest minus the relevant Screen Rate of Interest plus or minus (as specified in the applicable Final Terms) the Margin (if any).

- (iii) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Final Terms specify a Minimum Rate of Interest for any Interest Period, then in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specify a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

Unless otherwise specified in the applicable Final Terms, the Minimum Rate of Interest shall be deemed zero.

- (iv) Determination of Rate of Interest and Calculation of Interest Amounts

The Agent, in the case of Floating Rate Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Floating Rate Notes in respect of each Specified Denomination (or the Calculation Amount if one is specified) for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. If a Calculation Amount is specified to be applicable, the amount of interest payable in respect of a Note shall be the product of the amount of interest (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount must be multiplied to reach the Specified Denomination of such Note without any further rounding.

- (v) Linear Interpolation for Floating Rate Notes

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified to be applicable in the relevant Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified to be applicable in the relevant Final Terms), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Applicable Maturity**" means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

- (vi) Notification of Rate of Interest and Interest Amount

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day (as defined below) thereafter and, in the case of Notes admitted to the listing on the Luxembourg Stock Exchange and/or on Euronext in Amsterdam, cause each such Rate of Interest, Interest Amount and Interest Payment Date, as the case may be, to be notified to Euronext Amsterdam and/or the Luxembourg Stock Exchange, as the case may be, in accordance with the rules and regulations of such Stock Exchange. Each Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the Notes are for the time being listed and to the Noteholders in accordance with Condition 14.

For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business in London.

(vii) **Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this paragraph (b), whether by the Agent or if applicable, the Calculation Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the Calculation Agent, if applicable, the other Paying Agents and all Noteholders, Receipholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receipholders or the Couponholders shall attach to the Agent or the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Interest on Partly Paid Notes*

In the case of Partly Paid Notes and absent failure to pay any instalment amount due on any Partly Paid Note, interest will accrue as aforesaid on the paid-up nominal amount of such Notes.

(d) *Accrual of Interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14 or individually.

(e) *Change of Interest Basis Option*

If "**Change of Interest Basis Option**" is specified as applicable in the applicable Final Terms, the Issuer may, subject to notification to the Luxembourg Stock Exchange and/or Euronext Amsterdam (if the Notes are being listed on such stock exchange) and having given:

- (i) notice to the Noteholders in accordance with Condition 14, not less than the number of Business Days equal to *the Interest Basis Option Period prior to the date on which the Change of Interest Basis Option shall be effective*; and
- (ii) notice to the Agent, not less than the number of Business Days equal to the Interest Basis Option Period prior to the date on which the Issuer Change of Interest Basis Option shall be effective,

(both of which notices shall be irrevocable) exercise the Change of Interest Basis Option upon which exercise the Interest Basis of the Notes changes from the Initial Interest Basis (which shall cease to apply) to the Subsequent Interest Basis (which shall commence to apply), effective as of the Change of Interest Basis Option Date immediately following the date on which the notice referred to above is given.

## **6. Payments**

### *(a) Method of Payment*

Subject as provided below:

- (i) payments in a Specified Currency other than Euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Wellington respectively); and
- (ii) payments in Euro will be made by credit or transfer to a Euro account (or to any other account to which Euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement). Any such amounts withheld or deducted will be treated as paid for all purposes under the Notes, and no additional amounts will be paid on the Notes with respect to any such withholding or deduction.

### *(b) Presentation of Notes, Receipts and Coupons*

Payments of principal in respect of Definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Definitive Notes, and payments of interest in respect of Definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal (if any), other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt. Payment of the final instalment will be made in the manner provided in paragraph (a) above against surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Note. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Note to which it appertains. Receipts presented without the Definitive Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any Definitive Note becomes due and repayable, unmaturing Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive form (other than Long Maturity Notes) should be presented for payment together with all unmaturing Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmaturing Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmaturing Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of five years after the date on which such principal first became due (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due. Upon any Fixed Rate Note

becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons in respect of any such Talons will be issued.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "**Long Maturity Note**" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Fixed Interest Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any Definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Note.

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to Definitive Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of such Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by such Paying Agent and such record shall be prima facie evidence that the payment in question has been made.

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or such other applicable settlement institution, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note. No person other than the holder of such Global Note shall have any claim against the Issuer in respect of any payments due on that Global Note.

Notwithstanding the foregoing, U.S. dollar payments of principal and interest in respect of the Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(c) *Payment Day*

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the Holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

(d) *Interpretation of Principal and Interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 8;

- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Instalment Notes, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7(g)(iii)); and
- (vii) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8.

## **7. Redemption and Purchase**

### *(a) At Maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the relevant Specified Currency on the Maturity Date.

### *(b) Redemption for Tax Reasons*

If this Condition 7(b) is applicable, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable) if;

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8(b) as a result of any change in, or amendment to, the laws or regulations of the Netherlands or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Agent a certificate signed a duly authorised representative of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 7(b) will be redeemed at their Early Redemption Amount referred to in paragraph (g) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

A redemption of Tier 2 Notes pursuant to this Condition 7(b) may only be effected if the Relevant Regulator is satisfied that the change or amendment referred to above is material and was not reasonably foreseeable at the relevant Issue Date.

(c) *Redemption at the Option of the Issuer (Issuer Call Option)*

If "**Issuer Call Option**" is specified as applicable in the applicable Final Terms, the Issuer may, subject to notification to the Luxembourg Stock Exchange and/or Euronext Amsterdam (if the Notes are being listed on such stock exchange) and having given:

- (i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14; and
- (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Agent,

(both of which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

Any such redemption must be of a nominal amount equal to at least the Minimum Redemption Amount and no more than the Maximum Redemption Amount, both as specified in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by Definitive Notes, and in accordance with the rules of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands and/or any other applicable settlement institution (to be reflected in the records of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or such other applicable settlement institution as either a pool factor or a reduction in nominal amount, at their discretion), in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter referred to as the "**Selection Date**"). In the case of Redeemed Notes represented by Definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by Definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of Definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this sub-paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least 5 days prior to the Selection Date.

(d) *Redemption at the Option of the Noteholders (Put Option)*

Subject as provided in Condition 7(m), if "**Put Option**" is specified as applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than 15 nor more than 30 days' notice or such other period of notice as is specified in the applicable Final Terms (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent rolling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "**Put Notice**") and in which the Holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control. If this Note is represented by a Global Note or is in definitive form and held through Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or such other applicable settlement institution, as the case may be (which may include notice being given on his instruction by Euroclear, Clearstream, Luxembourg, Euroclear Netherlands, such other



applicable settlement institution or any common depository for them to the Agent by electronic means) in a form acceptable to Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or such other applicable settlement institution, as the case may be, from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such Holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 10.

*(e) Redemption for illegality*

In the event that the Agent determines in good faith that the performance of the Issuer's obligations under the Senior Notes or that any arrangements made to hedge the Issuer's obligations under the Senior Notes has or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, the Issuer having given not less than 10 nor more than 30 days' notice to Noteholders in accordance with Condition 14 (which notice shall be irrevocable), may, on expiry of such notice redeem all, but not some only, of the Senior Notes, each Senior Note being redeemed at the Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.

*(f) Obligatory Redemption*

If Obligatory Redemption is specified as applicable in the applicable Final Terms, the Issuer has the obligation to redeem the Notes in whole, but not in part, on the applicable Obligatory Redemption Date against payment of the applicable Obligatory Redemption Amount.

*(g) Early Redemption Amounts*

Unless specified otherwise in the applicable Final Terms, for the purpose of paragraph (b) and (e) above, paragraph (n) and (o) below and Condition 10, the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to the Specified Denomination, at the Final Redemption Amount thereof; or
- (ii) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and Partly Paid Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at its Early Redemption Amount; or
- (iii) in the case of a Zero Coupon Note, at an amount (the "**Amortised Face Amount**") equal to the product of:
  - (A) the Reference Price; and
  - (B) the sum of the figure 1 and the Accrual Yield, raised to the power of x, where 'x' is a fraction the numerator of which is equal to the number of days (calculated on the basis of the Day Count Fraction specified in the applicable Final Terms, or if none is specified in the applicable Final Terms, a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is calculated on the basis of the Day Count Fraction specified in the applicable Final Terms, or if none is specified in the applicable Final Terms, 360.

(h) *Instalments*

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (g) above.

(i) *Partly Paid Notes*

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise at the paid-up nominal amount of such Notes. While any Part Payment Amount due from the holder of Partly Paid Notes is overdue, no interest in a Global Note representing such Notes may be exchanged for Definitive Notes (as the case may be). If any Noteholder fails to pay any Part Payment Amount due on any Partly Paid Notes on any corresponding Part Payment Date, the Issuer may forfeit each such Notes under which such Noteholder so failed to make such payment and the Issuer shall have no further obligation to such Noteholder under each such Note.

(j) *Purchases*

The Issuer and any of its subsidiaries may at any time purchase Notes (provided that, in the case of Definitive Notes, all unmaturing Receipts and Coupons and unexchanged Talons relating thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Noteholders alike. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

(k) *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with, in the case of Definitive Notes, all unmaturing Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and Notes purchased and cancelled pursuant to paragraph (j) above (together with, in the case of Definitive Notes, all unmaturing Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

(l) *Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c), (d), (e) or (f) above or (n) or (o) below or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (g)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders, in accordance with Condition 14.

(m) *Redemption or purchase of Tier 2 Notes*

Tier 2 Notes may only be redeemed early or purchased by the Issuer or any of its subsidiaries upon receipt of the written approval of such redemption by the Relevant Regulator.

(n) *Redemption of Tier 2 Notes for regulatory reasons*

If Regulatory Call is specified in the applicable Final Terms, Tier 2 Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable), if the Issuer is notified in writing by the Relevant Regulator that under the applicable rules and regulations at any time during which period the Subordinated Notes are outstanding the whole of the outstanding principal amount of the Subordinated Notes is fully excluded from Tier 2 capital (or as another form of regulatory capital under the then Applicable Capital Adequacy Regulations) of the Issuer for the purposes of the determination of its regulatory capital (or as another

form of regulatory capital under the then Applicable Capital Adequacy Regulations), as the case may be (the "**Regulatory Event**"). For the avoidance of doubt, there shall be no Regulatory Event if all or part of the Subordinated Notes are eligible by their terms to be included in Tier 2 capital by reason of any transitional or grandfathering provision under CRD IV.

A redemption of the Tier 2 Notes pursuant to this sub-clause is subject to the prior consent of the Relevant Regulator (and the Relevant Regulator being satisfied that such disqualification of the Tier 2 Notes as Tier 2 capital (or as another form of regulatory capital under the then Applicable Capital Adequacy Regulations) was not reasonably foreseeable at the Issue Date of the relevant Tier 2 Notes) provided that at the relevant time such consent is required (but without any requirement for the consent or approval of the Subordinated Noteholders).

Tier 2 Notes redeemed pursuant to this Condition 7(n) will be redeemed at their Early Redemption Amount referred to in paragraph (g) above, together with (if appropriate) interest accrued to (but excluding) the date of redemption.

"**Applicable Capital Adequacy Regulations**" means (i) the capital adequacy regulations or any other regulatory capital rules applicable to the Issuer from time to time pursuant to Dutch law and/or the laws of any other relevant jurisdiction and which lay down the requirements to be satisfied by financial instruments to qualify as regulatory capital (or any equivalent terminology employed by the then Applicable Capital Adequacy Regulations) and/or (ii) regulatory rules relating to the technical facilities and/or statutory liquidity requirements or any other capital adequacy regulations applicable to the Issuer from time to time pursuant to Dutch law and/or the laws of any other relevant jurisdiction, each as applied and construed by the Relevant Regulator and applicable to the Issuer.

"**CRD IV Directive**" means Directive (2013/36/EU) of the European Parliament and of the Council of 26 June 2013 on the access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms and amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.

"**CRD IV**" means the CRD IV Directive and the CRD IV Regulation, as amended from time to time together.

"**CRD IV Regulation**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, and amending Regulation (EU) No. 648/2012.

(o) *Redemption of Senior Notes - other*

The Issuer may at any time, on giving not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14, redeem all but not some only of the Senior Notes for the time being outstanding at their Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption if, prior to the date of such notice, 90 per cent. or more in nominal amount of the Senior Notes of such Series have been redeemed or purchased and cancelled.

## **8. Taxation**

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Netherlands or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer will, depending on which provision is specified in the applicable Final Terms, either

- (a) make the required withholding or deduction of such taxes, duties, assessments or governmental charges for the account of the holders of the Notes, Receipts or Coupons, as the case may be, and shall not pay any additional amounts to the holders of the Notes, Receipts or Coupons or
- (b) pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (c) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with the Netherlands other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof; or
- (d) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (e) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day (assuming that day to have been a Payment Day as defined in Condition 6(c)); or
- (f) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26th-27th November, 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (g) presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used herein, the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

For the avoidance of doubt, no additional amounts will be paid by the Issuer or any Paying Agent on account of any deduction or withholding from a payment on, or in respect of, the Notes where such deduction or withholding is imposed pursuant to, on in connection with, FATCA.

## **9. Prescription**

The Notes, Receipts and Coupons will become void unless presented for payment within a period of five years after the date on which such payment first becomes due.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6(b) or any Talon which would be void pursuant to Condition 6(b).

## **10. Events of Default**

If in the case of any Senior Notes one or more of the following events (or in the case of any Subordinated Notes, either or both of the events specified in (iv) and (v)) (each an "**Event of Default**") shall have occurred and be continuing:

- (i) default is made for more than 14 days in the payment of interest or principal in respect of the Notes; or
- (ii) the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for the period of 30 days next following the service on the Issuer of notice requiring the same to be remedied; or
- (iii) the Issuer fails in the due repayment of borrowed money in excess of €15,000,000 and such failure continues for a period of 14 days after notice of such failure has been received by the Issuer, provided that no event of default shall be deemed to have occurred if the Issuer shall contest its liability in good faith or shall have been ordered not to make such a payment by a competent court; or

- (iv) an order is made or an effective resolution is passed for the winding up or liquidation of the Issuer unless this is done in connection with a merger, consolidation or other form of combination with another company and such company assumes all obligations contracted by the Issuer in connection with the Notes; or
- (v) the Issuer is declared bankrupt or a declaration is made in respect of the Issuer under Article 3:163(1)(b) of the Wft in respect of the Issuer; or
- (vi) emergency measures in respect of the Issuer as referred to under Article 3:160(1)(a) or (c) of the Wft are declared.

then any Noteholder may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare the Note held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Early Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind, provided that repayment of Tier 2 Notes under this Condition 10 may only be effected after the Issuer has obtained the written consent of the Relevant Regulator.

#### **11. Replacement of Notes, Receipts, Coupons and Talons**

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

#### **12. Agent and Paying Agents**

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out at the end of the Base Prospectus.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (i) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange (or any other relevant authority);
- (ii) there will at all times be a Paying Agent with a specified office in a city in continental Europe;
- (iii) there will at all times be an Agent;
- (iv) a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such directive;
- (v) a notice will be published in the case of any change in Paying Agents.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 6(b). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

### **13. Exchange of Talons**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

### **14. Notices**

All notices regarding the Notes shall be published (i) by way of press release, (ii) on the website of the Issuer, and (iii) if and for so long as the Notes are listed on the Luxembourg Stock Exchange and such is required pursuant to the rules and regulations of the Luxembourg Stock Exchange, in a daily newspaper of general circulation in Luxembourg or on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). It is expected that such publication will be made in the Luxemburger Wort (in the case of (iii) above). Any such notice will be deemed to have been given on the date of the first publication in all the newspapers in which such publication is required to be made.

Until such time as any Definitive Notes are issued, there may (provided that, in the case of any publication required by the rules of such stock exchange, the rules of the stock exchange so permit), so long as the Global Note(s) is or are held in its or their entirety on behalf of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution, be substituted for the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution for communication by them to the holders of the Notes, provided that, if and for so long as such Notes are listed on the Luxembourg Stock Exchange and such is required pursuant to the rules and regulations of the Luxembourg Stock Exchange, the relevant notice shall also be published in a daily newspaper of general circulation in Luxembourg. Any such notice shall be deemed to have been given to the holders of the Notes on the first day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution.

Where the identity of all the holders of the Notes is known to the Issuer, the Issuer may (after consultation with the relevant stock exchange (where relevant)) give notice individually to such holders in lieu of publication as provided above.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent via Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution, as the case may be, in such manner as the Agent and Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution, as the case may be, may approve for this purpose.

### **15. Meetings of Noteholders, Modification and Waiver**

The Agency Agreement contains provisions for convening meetings of the Noteholders of each Series to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or certain provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders of each Series holding not less than five per cent. in nominal amount of the Senior Notes or, as the case may be, the Subordinated Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes of each Series for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders of each Series whatever the nominal amount of such Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of such Notes, Receipts and the Coupons (including modifying the date of maturity of such Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of such Notes or altering the currency of payment of such Notes, Receipts or Coupons), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting

not less than one-third, in nominal amount of such Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders of each Series shall be binding on all the Noteholders of such class of Notes, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

An Extraordinary Resolution of the Subordinated Notes shall only be effective when it is not materially prejudicial to the interests of the holders of the Senior Notes.

The Agency Agreement also provides that (i) a resolution in writing signed by or on behalf of the holders of not less than two-thirds in nominal amount of such Notes for the time being outstanding or (ii) consents given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than two-thirds in nominal amount of such Notes for the time being outstanding, shall, in either case, for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Any such resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The Issuer may not vote on any Notes held by it, whether directly or indirectly, and such Notes shall not be taken into account in establishing the total amount outstanding.

The Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (i) any modification (except as mentioned above) of the Agency Agreement which is not materially prejudicial to the interests of the Noteholders; or
- (ii) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law of the Netherlands.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

## **16. Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

## **17. Substitution of the Issuer**

- (a) The Issuer may, with the consent of the Noteholders or Couponholders which will be deemed to have been given in respect of each issue of Notes on which no payment of principal or interest is in default and (in the case of Tier 2 Notes) after written approval of the Relevant Regulator, be replaced and substituted by any directly or indirectly wholly owned subsidiary of the Issuer (the "**Substituted Debtor**") as principal debtor in respect of the Notes and the relative Receipts and Coupons provided that:
  - (i) such documents shall be executed by the Substituted Debtor and the Issuer as may be necessary to give full effect to the substitution (the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substituted Debtor shall undertake in favour of each Noteholder, Receiptholder and Couponholder to be bound by the Terms and Conditions of the Notes and the provisions of the Agency Agreement as fully as if the Substituted Debtor had been named in the Notes, and the relative Receipts and Coupons and the Agency Agreement as the principal debtor in respect of the Notes and the relative Receipts and Coupons in place of the Issuer and pursuant to which the Issuer shall guarantee, in favour of each Noteholder and

- (ii) each holder of the relative Receipts and Coupons the payment of all sums (including any additional amounts payable pursuant to Condition 8(b)) payable in respect of the Notes and the relative Receipts and Coupons;
  - (iii) without prejudice to sub-paragraph (i) hereof, where the Substituted Debtor is incorporated, domiciled or resident for taxation purposes in a territory other than the Netherlands, the Documents shall contain a covenant and/or such other provisions as may be necessary to ensure that each Noteholder has the benefit of a covenant in terms corresponding to the provisions of Condition 8 with the substitution for the references to the Netherlands of references to the territory in which the Substituted Debtor is incorporated, domiciled and/or resident for taxation purposes. The Documents shall also contain a covenant by the Substituted Debtor and the Issuer to indemnify and held harmless each Noteholder, Receiptholder and Couponholder against all liabilities, costs, charges and expenses, provided that insofar as the liabilities, costs, charges and expenses are taxes or duties, the same arise by reason of a law or regulation having legal effect or being in reasonable contemplation thereof on the date such substitution becomes effective, which may be incurred by or levied against such holder as a result of any substitution pursuant to this Condition and which would not have been so incurred or levied had such substitution not been made (and, without limiting the foregoing, such liabilities, costs, charges and expenses shall include any and all taxes or duties which are imposed on any such Noteholder, Receiptholder or Couponholder by any political sub-division or taxing authority of any country in which such Noteholder, Receiptholder or Couponholder resides or is subject to any such tax or duty and which would not have been so imposed had such substitution not been made);
  - (iv) the Documents shall contain a warranty and representation by the Substituted Debtor and the Issuer (a) that each of the Substituted Debtor and the Issuer has obtained all necessary governmental and regulatory approvals and consents for such substitution and the performance of its obligations under the Documents, and that all such approvals and consents are in full force and effect and (b) that the obligations assumed by each of the Substituted Debtor and the Issuer under the Documents are valid and binding in accordance with the respective terms and enforceable by each Noteholder, Receiptholders;
  - (v) each stock exchange which has Notes listed thereon shall have confirmed that following the proposed substitution of the Substituted Debtor such Notes will continue to be listed on such stock exchange;
  - (vi) the Substituted Debtor shall have delivered to the Agent or procured the delivery to the Agent of a legal opinion from a leading firm of local lawyers acting for the Substituted Debtor to the effect that the Documents constitute legal, valid and binding obligations of the Substituted Debtor, such opinion to be dated not more than 3 days prior to the date of substitution of the Substituted Debtor for the Issue and to be available for inspection by Noteholders, Receiptholders and Couponholders at the specified office of the Agent;
  - (vii) the Issuer shall have delivered to the Agent or produced the delivery to the Agent of a legal opinion from a leading firm of Dutch lawyers acting for the Issuer to the effect that the Documents (including the new guarantee) constitute legal, valid and binding obligations of the Issuer, such opinion to be dated not more than 3 days prior to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders, Receiptholders and Couponholders at the specified office of the Agent; and
  - (viii) the Issuer shall have delivered to the Agent or procured the delivery to the Agent of a legal opinion from a leading firm of Dutch lawyers (which may be the same lawyers referred to in (vi) above) to the effect that the Documents constitute legal, valid and binding obligations of the Substituted Debtor under Dutch law, such opinion to be dated not more than 3 days prior to the date of substitution of the Substituted Debtor for the Issue and to be available for inspection by Noteholders, Receiptholders and Couponholders at the specified office of the Agent.
- (b) In connection with any substitution effected pursuant to this Condition, neither the Issuer, nor the Substituted Debtor need have any regard to the consequences of any such substitution for individual Noteholders, Receiptholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and no



Noteholder, Receiptholder or Couponholder, except as provided in Condition 17(a)(ii), shall be entitled to claim from the Issuer, or any Substituted Debtor, under the Notes and the relative Receipts and Coupons, any indemnification or payment in respect of any tax or other consequences arising from such substitution.

- (c) In respect of any substitution pursuant to this Condition in respect of the Subordinated Notes of any Series, the Documents shall provide for such further amendment of the Terms and Conditions of the Subordinated Notes as shall be necessary or desirable to ensure that the Subordinated Notes of such Series constitute subordinated obligations of the Substituted Debtor, subordinated to no greater extent than the Issuer's obligations prior to its substitution to make payments of principal in respect of the Subordinated Notes of such Series under Condition 3 of the Terms and Conditions.
- (d) With respect to Tier 2 Notes, the Issuer shall be entitled, after written approval of the Relevant Regulator and by notice to the Noteholders given in accordance with Condition 14 at any time either to effect a substitution which does not comply with paragraph (c) above provided that the terms of such substitution have been approved by an Extraordinary Resolution of the Noteholders or to waive any and all rights to effect a substitution of the principal debtor pursuant to this Condition. Any such notice of waiver shall be irrevocable.
- (e) Upon the execution of the Documents as referred to in paragraph (a) above, and subject to the notice referred to in paragraph (g) below having been given, the Substituted Debtor shall be deemed to be named in the Notes and the relative Receipts and Coupons as the principal debtor in place of the Issuer and the Notes and the relative Receipts and Coupons shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents shall operate to release the Issuer as issuer from all of its obligations as principal debtor in respect of the Notes and relative Receipts and Coupons prior to release and shall inure for the benefit of Noteholders, Receiptholders and Couponholders.
- (f) The Documents shall be deposited with and held by the Agent for so long as any Notes, Receipts or Coupons remain outstanding and for so long as any claim made against the Substituted Debtor by any Noteholder, Receiptholder or Couponholder in relation to the Notes or the relative Receipts and Coupons or the Documents shall not have been finally adjudicated, settled or discharged. The Substituted Debtor and the Issuer shall acknowledge in the Documents the right of every Noteholder, Receiptholder and Couponholder to the production of the Documents for the enforcement of any provision of the Notes or the relative Receipts and Coupons or the Documents.
- (g) Not later than 15 business days after the execution of the Documents, the Substituted Debtor shall give notice thereof to the Noteholders in accordance with Condition 14.

## **18. Governing Law and Submission to Jurisdiction**

The Agency Agreement, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection therewith, are governed by, and shall be construed in accordance with, the laws of the Netherlands.

The Issuer submits for the exclusive benefit of the Noteholders, the Receiptholders and the Couponholders to the jurisdiction of the courts of Amsterdam, the Netherlands, judging in first instance, and their appellate courts. Without prejudice to the foregoing, the Issuer further irrevocably agrees that any suit, action or proceedings arising out of or in connection with the Agency Agreement, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection therewith, may be brought in any other court of competent jurisdiction.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the Bank for its general corporate purposes. If in respect of any particular issue of Notes, there is a particular identified use of proceeds, this will be specified in the applicable Final Terms.

## F. VAN LANSCHOT BANKIERS N.V.

### General

The Bank was incorporated on 9 March 1970, but can be considered to be the oldest independent Dutch private bank with a history dating back to 1737. All outstanding shares in the capital of the Bank are held by the holding company Van Lanschot N.V. and accordingly, Van Lanschot N.V. has complete control over the Bank.

Both companies are public companies with limited liability (*naamloze vennootschappen*) incorporated under Dutch law and have their statutory seats at 's-Hertogenbosch, the Netherlands. The Bank is registered in the Chamber of Commerce under No. 16038212. Van Lanschot N.V. is registered in the Chamber of Commerce under No. 16014051. The address of both the Bank and Van Lanschot N.V. is Hooze Steenweg 29, 5211 JN 's-Hertogenbosch, the Netherlands, telephone number +31 (0)73 548 35 48 (for investor relations: +31 (0)20 354 45 90). The date of incorporation of Van Lanschot N.V. is 21 February 1953.

The objects and purposes of the Bank are described in article 2 of its articles of association. The objects of the Bank are to carry on the business of banking and of dealings in securities, to administer the property of others, to act as insurance agent, to participate in other companies and to perform all kinds of other activities and to render all kinds of other services which are connected therewith or may be conducive hereto, all this to be interpreted in the widest sense. In pursuing the above objects the Bank shall, within the scope of a proper banking management, direct itself to the lasting interest of all those who are associated with the Bank and the business connected with it.

The objects of Van Lanschot N.V. as described in article 3 of its articles of association, are to participate in, to manage, to administer and to finance enterprises and companies, and to render services to enterprises and companies, in particular to enterprises and companies whose objects are related to banking, stocks or insurance brokerage, and to engage in any activity which may be related or conducive thereto, including the provision of security of debts of group companies, all this in the widest sense.

### Regulatory Status

The Bank qualifies as a credit institution within the meaning of the CRD IV Regulation, the Council Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012. The Bank is authorised by DNB (*De Nederlandsche Bank N.V.*) to pursue the business of a bank (*bank*) in the Netherlands, in accordance with the Wft and is consequently under direct supervision by DNB. As of 4 November 2014, the Bank is subject to indirect supervision by the ECB under the new system of supervision, which comprises the ECB and the national competent authorities of participating EU Member States, the SSM. In addition, the Bank is supervised by the AFM for the purpose of market conduct supervision.

### Strategy

The Issuer is a specialist, independent wealth manager dedicated to the preservation and creation of wealth for its private and institutional clients. Private banking, asset management and merchant banking are its core activities. The Issuer aims to be the preferred wealth manager for its domestic and international client base by providing top-quality advice and service, and superior risk-adjusted returns. And in doing so attract, develop and retain the best available talent in the market and provide an exciting, entrepreneurial working environment.

Within private banking, the Issuer focuses on wealthy private individuals, entrepreneurs and family businesses, while also targeting business professionals and executives, healthcare professionals, and foundations and associations. With a network of 36 offices and client reception venues in the Netherlands, Belgium and Switzerland, the Bank differentiates itself, either direct or through its subsidiaries, by building a clearly defined local presence. The Issuer experiences an increasing demand in private banking for online services combined with personal attention and service by advisers. The Bank responded by launching a new service model with the brand name Evi: Personal Banking, a leading online offering of discretionary asset management, investment advice and savings. Personal Banking also opens the doors to clients starting out in wealth management and seeking expert advice and support in wealth creation. The Bank offers two other service models for clients with more complex financial requests and needs that increasingly require specialist knowledge: Private Banking and Private Office.

The Bank's subsidiary Kempen & Co N.V. ("**Kempen & Co**"), which has been a subsidiary of the Bank since 2007, is active in the areas of asset management and merchant banking. Kempen & Co offers specialist financial

services to institutional investors, companies, financial institutions, government agencies and government-controlled bodies, foundations and associations and wealthy individuals. These activities strengthen the wealth management proposition that the Bank, as a group, can offer to its clients. Kempen & Co has offices, either directly or through its subsidiaries, in The Netherlands, the United Kingdom and the United States.

Its pure-play focus on preserving and creating wealth for its clients has led to the Bank's decision to wind down its SME loans and real estate financing where there is no link with private banking. These activities have been subsumed into its corporate bank. The Bank continues all corporate activities with a clear link to the private banking relationship model, such as financing investments by business professionals and executives, and by healthcare professionals.

Its sharpened strategic focus implies that the Bank will phase out activities, products and services that no longer fit its core offering. Moreover, clients increasingly demand a transparent offering that is easy to understand. The Bank will simplify its product offering to provide a better fit with its clients' requirements. In addition, this will increase the Bank's efficiency as it is able to refocus resources on its core activities.

While the client is key, the Bank strongly values the interests of other stakeholders too. The Bank maintains close contacts with its own employees, shareholders, other providers of capital and non-governmental organisations. These contacts form an essential aspect of the Bank's corporate responsibly policy, with which it aims to be a trustworthy and reliable bank for all stakeholders.

The profile of an independent, specialised wealth manager calls for a solid balance sheet with high capital ratios. The strategic choices contribute to this, in particular through improved profitability and an asset-light balance sheet. Van Lanschot N.V has formulated the following financial targets for 2017:

- Common Equity Tier I ratio: at least 15%;
- Return on Common Equity Tier I of 10%-12%; and
- Efficiency ratio (which is calculated by dividing the operating expenses by the income from operating activities (excluding operating expenses and income from operating activities from non-strategic investments and non-recurring charges and profits)) of 60-65%.

### **Business Segmentation**

The Bank uses the following segmentation: Private Banking, Asset Management, Merchant Banking, Other Activities and Corporate Banking.

#### *Private Banking*

Within Private Banking, the Issuer focuses on wealthy private individuals, entrepreneurs and family businesses, while also targeting business professionals (accountants, lawyers, public notaries and attorneys) and executives of listed companies, healthcare professionals, and foundations and associations.

The Bank provides a full range of financial services to its clients, which includes financial planning, wealth planning, asset management and investment advice. Through Evi, the Bank offers an online investment and savings coach targeting starters in the wealth management segment. Furthermore, the Bank offers international private banking solutions through its offices in Switzerland. Preservation and creation of wealth form the basis of the services provided by the Bank.

#### *Asset Management*

The Asset Management business segment comprises the asset management activities of the Bank. Preservation and creation of wealth is the key competence of the Bank. This business segment's target group consists of institutional investors, pension funds, insurance companies, financial institutions, government-controlled bodies, foundations and associations and wealthy individuals. The Bank offers institutional and fiduciary asset management, management of investment funds and development of investment products and solutions. The Bank has specialised strategies in global, European and Dutch small caps, listed real estate, high income equities, fixed income and fund of hedge funds.

#### *Merchant Banking*

The Merchant Banking business segment focuses its operations on a specific client target group: listed and unlisted companies and corporate clients of the Bank. Merchant Banking offers independent advice and support in mergers, acquisitions, capital market transactions and financial restructurings. The services mostly concern separate assignments for which one-off fees and commissions are received.

The Merchant Banking segment also offers securities research, brokerage and investment products to professional investors, clients of Private Banking and listed companies.

#### *Other activities*

This segment comprises the other activities in the field of interest rate, market and liquidity risk management. This segment also includes the one-off charges under the investment and cost reduction programme.

#### *Corporate Banking*

Within Corporate Banking a team of specialists is engaged in managing and scaling down the real estate financing and SME loan portfolio for non-Private Banking clients.

### **Shareholders and Capitalisation**

The authorised share capital of the Bank consists of 400,000 shares of €100 each. All shares are nominative shares. Share certificates have not been issued. All 400,000 shares of the Bank are held by Van Lanschot N.V. and have been fully paid up.

Van Lanschot N.V.'s only asset, besides a small amount of liquidities placed with the Bank or intragroup debts, is 100 per cent. of the shares of the Bank. There are no other activities within Van Lanschot N.V. other than the 100 per cent. holding and aforementioned liquidities/debts. There is no intention to change this situation. In addition, it does not sell products and/or provide services of any kind. Van Lanschot N.V. only operates under Dutch law.

The authorised share capital of Van Lanschot N.V. consists of 135,000,000 shares of €1 nominal value each, and is divided into ordinary shares A ("**Class A Shares**") and ordinary shares B ("**Class B Shares**") and preference shares C ("**Class C Shares**"). Class B Shares and Class C Shares have not been issued. The outstanding ordinary share capital of Van Lanschot N.V. on 31 December 2013 amounts to EUR 41,016,668. The Class A Shares are held by Stichting Administratiekantoor van gewone aandelen A Van Lanschot N.V. (the "**Trust**"), which has issued depositary receipts for these shares. These depositary receipts for Van Lanschot N.V. shares, representing 100 per cent. of the ordinary share capital, are listed and traded on Euronext in Amsterdam. The issuance of depositary receipts does not have a protective nature. In line with the Dutch Corporate Governance Code (the "**Corporate Governance Code**"), the Trust allows holders of depositary receipts to exercise their voting rights at all times. The depositary receipts and Trust only exist so as to sufficiently protect the interests of small holders of depositary receipts, insofar as they do not exercise their voting rights themselves. In such case, the Trust exercises the voting right in the interest of such holder. A depositary receipt can be converted into the underlying Class A Share without any restrictions. The board of the Trust consists of four members and is independent from the Van Lanschot Group. The Trust collects the dividends for the account of the holders of the depositary receipts and distributes the dividends directly to such holders.

In compliance with chapter 5.3 of the Wft the following holdings have been included in the Substantial Holdings register of the AFM. The percentages shown in the following table are the holdings reported by the respective shareholder or holder of depositary receipts with the AFM at the date of notification. Actual holdings may differ on the date hereof. The Trust currently holds 100% of the Class A Shares.

| Shareholder   | Date of notification | Holding |
|---|----------------------|---------|
| Stichting Administratiekantoor van gewone aandelen A Van Lanschot | 24/05/2013           | 97.61%  |

| Holder of depositary receipts   | Date of notification | Holding |
|---|----------------------|---------|
| Delta Lloyd N.V.  | 06/05/2011           | 30.35%  |
| Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A.                      | 31/12/2012           | 12.09%  |
| Stichting Pensioenfonds ABP (via/through APG Algemene Pensioengroep N.V.) | 03/02/2010           | 12.06%  |
| Wellington Management Group LLP   | 15/12/2014           | 9.90%   |
| LDDM Holding B.V.   | 03/06/2014           | 9.76%   |

|                      |            |       |
|----------------------|------------|-------|
| SNS Reaal Groep N.V. | 01/11/2006 | 7.43% |
|----------------------|------------|-------|

### Capitalisation

The consolidated capital position of Van Lanschot N.V. and its subsidiaries is as follows:

| <i>(x € thousand)</i>                           |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|
|   | 31/12/2014       | 30/06/2014       | 31/12/2013       | 30/06/2013       |
| <b>Share capital and reserves</b>               |                  |                  |                  |                  |
| Issued and fully paid                           | 41,017           | 41,017           | 41,017           | 41,017           |
| Reserves  | 1,251,257        | 1,227,291        | 1,242,470        | 1,235,470        |
| Equity instruments issued by subsidiaries       | 28,360           | 36,579           | 37,188           | 36,621           |
| Non-controlling interests                       | 29,884           | 18,435           | 18,291           | 19,238           |
| <b>Group Equity</b>                             | <b>1,350,518</b> | <b>1,323,322</b> | <b>1,338,966</b> | <b>1,332,346</b> |
| Subordinated debt                               | 121,415          | 123,491          | 128,218          | 130,293          |
| <b>Total group equity and subordinated debt</b> | <b>1,471,933</b> | <b>1,446,813</b> | <b>1,467,184</b> | <b>1,462,639</b> |
| <b>Loan capital</b>                             |                  |                  |                  |                  |
| Debt securities                                 | 3,779,322        | 3,901,974        | 4,206,752        | 3,420,131        |
| <b>Total capitalisation</b>                     | <b>5,251,255</b> | <b>5,348,787</b> | <b>5,673,936</b> | <b>4,882,770</b> |

*These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2014 and 31 December 2013 of Van Lanschot N.V. and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot N.V. as of and for the periods ended 30 June 2014 and 30 June 2013. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.*

### Risk Policy and Credit Ratings

#### Risk policy

The Bank's aim has always been to have a solid profile, i.e. low risks with robust liquidity and capital positions. Every year, the Bank evaluates its risk appetite, which is then laid down in a risk appetite statement. This statement, which contains both qualitative and quantitative elements, is determined by the Board of Managing Directors and subject to the Supervisory Board's approval. The Risk Policy Committee discusses progress reports once every quarter. For 2014, the Bank has refined its risk appetite further and brought it into line with the strategic review. It now takes more specific account of the Bank's own risk-bearing capital (i.e. the extent to which the impact of the risks can be absorbed).

The risk appetite of the Bank is based on the following key principles:

- The Bank only takes risks that can be understood and explained.
- The Bank only takes risks that either directly or indirectly help it to achieve its strategic objectives.
- The total exposure may not exceed the amount of risk-bearing capital.
- When taking risks, the Bank takes the interests and expectations of all its stakeholders into account.
- The Bank aims to have a single A credit rating as a minimum.
- The risk appetite must be taken into consideration when key decisions are taken at any level in the organisation.
- The Bank acts within the legal and regulatory frameworks.
- The Bank does not take any risks that could seriously damage its reputation.

The risks specific to the situation of the Bank that are material for taking investment decisions and that may affect the Bank's ability to fulfil its obligations under the Notes are limited. The Bank pursues a prudent risk policy, and risk management and control are important elements of its business operations. In accordance with the risk classification outlined by DNB, banks such as the Bank may be subject to liquidity risk, market risk, operational risk, ICT risk, integrity risk, risk of fraud, outsourcing risk and credit risk. With respect to the Bank's exposure to credit risk the following is noted. The Bank's loan acceptance policy is directed at maintaining the quality of its loan portfolio.

*Credit ratings of the Bank*

Credit rating agencies S&P and Fitch periodically review the Bank's creditworthiness. The Bank continuously aims for a high creditworthiness by using the balance sheet only for client related activities and by only taking risks it can manage and understand.

|                                 | <b>S&amp;P</b> | <b>Fitch</b>     |
|---------------------------------|----------------|------------------|
| Long-term credit rating         | BBB+           | A-               |
| Outlook long-term credit rating | Stable         | Negative outlook |
| Short-term credit rating        | A-2            | F2               |
| Latest rating update            | 04-11-2014     | 30-09-2014       |

**Board of Managing Directors and Supervisory Board**

***Board practices of the Bank and Van Lanschot N.V.***

Van Lanschot N.V. and the Bank are a two-tier board company (*structuurvennootschap*). The Board of Managing Directors of Van Lanschot N.V. is also the Board of Managing Directors of the Bank. Supervision of the Board of Managing Directors and the general course of affairs at Van Lanschot N.V. is entrusted to the Supervisory Board. Its members are appointed by the General Meeting of Shareholders. Members of the Board of Managing Directors are appointed by the Supervisory Board.

*Board of Managing Directors*

The members of the Board of Managing Directors of both the Bank and Van Lanschot N.V. are:

Mr K.K. Guha (1964), Chairman

Nationality Dutch  
 Appointed as of 2 January 2013. Term of office expires on the day of Van Lanschot N.V.'s Annual General Meeting of Shareholders held after 1 January 2017

Areas of responsibility Asset Management, Merchant Banking, Corporate Secretariat, Strategy & Corporate Development, Legal Affairs, Compliance, Group Audit, Human Resource Management, Marketing, Communication

Mr C.T.L. Korthout (1962) Member (Chief Financial Officer / Chief Risk Officer)

Nationality Dutch  
 Appointed as of 27 October 2010. Reappointed on 15 May 2014. Term of office expires at the close of the Annual General Meeting of Shareholders to be held in 2018

Areas of responsibility Risk Management, Financial Control, Financial Risk Management, Treasury and Recovery Department

Main other positions : Vice-chairman Raad van Toezicht Sint Franciscus-Vlietland Groep

Mr A.J. Huisman (1971), Member

Nationality Dutch  
 Appointed as of 6 May 2010. Reappointed on 15 May 2014. Term of office expires at the close of the Annual General

Meeting of Shareholders to be held in 2018.

Areas of responsibility Service Centres, Online Services, Information Technology Management and Corporate Facility Management

Main other positions Member of the Supervisory Board of Van Lanschot Chabot Holding B.V.

Mr R.P. Bruens (1967), Member

Nationality Dutch  
Appointed as of 15 May 2014. Term of office expires at the close of the Annual General Meeting of Shareholders to be held in 2018

Areas of responsibility Private Banking

There are no potential or actual conflicts of interest between any duties owed by the members of the Supervisory Board and the Board of Managing Directors or the general managers of both the Bank and Van Lanschot N.V. to the Bank and/or Van Lanschot N.V. and their private interests or other duties.

The business addresses of the persons mentioned under this section are at the address of the Bank.

*Supervisory Board*

The members of the Supervisory Board of both the Bank and Van Lanschot N.V. are:

Mr T. de Swaan (1946), Chairman

Nationality Dutch  
Appointed as of 10 May 2007; Term of office expires in 2015  
Former member of the Managing Board of ABN AMRO Bank N.V., ABN AMRO Holding N.V. and De Nederlandsche Bank N.V.

Seats on other (supervisory) boards Koninklijke DSM N.V.  
Zurich Insurance Group (Chairman)  
GlaxoSmithKline Plc

Main other positions Chairman of the Board of Van Leer Jerusalem Institute  
Chairman of the Advisory Board of the Rotterdam School of Management Erasmus University  
Chairman of the Supervisory Board Antoni van Leeuwenhoekhuis / Nederlands Kanker Instituut  
Member of the Advisory Board of the China Banking Regulatory Committee in Beijing.

Mr J.B.M. Streppel (1949), Vice Chairman

Nationality Dutch  
Appointed as of 11 May 2005; Term of office expires in 2017  
Former member of the Executive Board of Aegon N.V.

Seats on other (supervisory) boards KPN N.V. (Chairman)  
RSA Insurance Group Plc

Main other positions Chairman Duisenberg School of Finance  
Member of the Supervisory Board of Stichting Arq.  
Member of the Board of Amsterdam Center for



Corporate Finance  
Chairman of the Shareholders Communication Channel  
Chairman of the Advisory Board of Koninklijk  
Actuarieel Genootschap

Mr W.W. Duron (1945), Member  
Nationality

Belgian

Appointed as of 10 May 2007; Term of office expires in 2015

Former Chairman of the Executive Committee of KBC  
Group N.V.

Seats on other (supervisory) boards

Agfa-Gevaert N.V.  
Ravago Plastics N.V.  
Van Breda Risk & Benefits N.V.  
Tigenix N.V.  
Windvision B.V.

Main other positions

Universitair Centrum Kortenberg  
Universitaire Ziekenhuizen Leuven

Ms H.H. Kersten (1965), Member  
Nationality

Dutch

Appointed as of 11 May 2011; Term of office expires in 2015

Partner at Stibbe

Seats on other (supervisory) boards

Egeria Investments B.V.  
STMicroelectronics N.V.

Main other positions

Member of the Board of Royal Concertgebouw  
Orchestra's donors' foundation Stichting Donateurs

Ms J. Helthuis (1962), Member  
Nationality

Dutch

Appointed as of 2 July 2013; Term of office expires in 2017

Former Chairperson of the Board of Monuta Holding  
and former member of the Managing Board of Fortis  
Bank Nederland

Seats on other (supervisory) boards

Prorail B.V.  
ixorg N.V.

Main other positions

Member of the Advisory Board Nintes

Mr G.P.J. van Lanschot (1964), Member  
Nationality

Dutch

Appointed as of 10 May 2006; Term of office expires in 2018

Previously employed in various positions at ABN  
AMRO Bank

Seats on other (supervisory) boards

Fetch, Inc.

*Audit and Compliance Committee of the Bank and Van Lanschot N.V.*

The Audit and Compliance Committee of the Bank and Van Lanschot N.V. is a permanent committee, consisting of members of the Supervisory Board. It has the duty to advise the Supervisory Board on financial reports, internal and external audit reports and compliance matters of Van Lanschot N.V. and its subsidiaries (including the Bank). In principle, the Audit and Compliance Committee consists of five members. The current members of the Audit and Compliance Committee are Mr J.B.M. Streppel (chairman), Mr T. de Swaan, Mr W.W. Duron, Mr G.P. van Lanschot and Ms H.H. Kersten.

The Audit and Compliance Committee can only exercise the powers it is explicitly provided with or the powers delegated to it by the Supervisory Board. The Audit and Compliance Committee can never exercise more powers than those of the entire Supervisory Board, or than those the Supervisory Board has provided to or delegated to the Audit and Compliance Committee. Accordingly, the Audit and Compliance Committee only acts as advisor to the Supervisory Board.

*The Bank and Van Lanschot N.V. subscribe to the principles of the Corporate Governance Code.*

Chapter II of the Corporate Governance Code sets out the principles and best practices to apply to the Board of Managing Directors. The Bank and Van Lanschot N.V. comply with all the principles and best practice provisions of the Corporate Governance Code except for (a part of) best practice provision II.2.5 and best practice provision III.2.1. for the reasons set out below.

#### *II.2.5 of the Corporate Governance Code*

This provision states among other things that depositary receipts of shares granted to board members without financial consideration shall be retained for a period of at least five years or until at least the end of employment of such board member, if this period is shorter. When paying variable pay to the members of the Board of Managing Directors, part of this payment done in the form of depositary receipts of shares may be sold (after three years, at the time the depositary receipts of shares become unconditional).

As many depositary receipts of shares may be sold as required in order to compensate for the corresponding payroll tax payable in respect of this variable pay. This practice is in deviation of best practice provision II.2.5. Depositary receipts of shares received as part of variable pay should subsequently be held for a period of at least two years after payment. The total period after which a member of the Board of Managing Directors has the remaining depositary receipts at his disposal is therefore at least five years, in accordance with best practice provision II.2.5.

#### *III.2.1. of the Corporate Governance Code*

This provision states among other things that all members of the supervisory board, with the exception of not more than one person, shall be independent within the meaning of best practice provision III.2.2. With the appointment of Ms Kersten as a member of the Supervisory Board on 11 May 2011, Van Lanschot N.V. has two members of the Supervisory Board which are not independent in the meaning of best practice provision III.2.2. of the Corporate Governance Code. The term of office of Ms Kersten is due to expire upon the closure of the 2015 Annual General Meeting of Van Lanschot N.V. Ms Kersten will not be available for re-appointment. From the closure of the 2015 Annual General Meeting, Van Lanschot N.V. will comply with provision III.2.1 of the Corporate Governance Code.

Mr Van Lanschot is not independent in the meaning of the Corporate Governance Code. Mr Van Lanschot was nominated as a member of the Supervisory Board on the recommendation of shareholder LDDM Holding B.V. The Annual General Meeting of Shareholders appointed Mr van Lanschot on the proposal of the Supervisory Board (for the first time in 2006 and reappointed in 2010). By virtue of the shareholder's agreement concluded between LDDM Holding B.V. and Van Lanschot N.V., LDDM Holding B.V. has the right to recommend one supervisory director to the Supervisory Board.

Ms Kersten is a lawyer and partner at Stibbe law firm. The Corporate Governance Code states that if a supervisory board member is an adviser at a firm that has acted as an adviser to the company in the year prior to the appointment of the relevant supervisory board member, that supervisory board member shall not be deemed to be independent (best practice provision III 2.2.c of the Corporate Governance Code). Stibbe is one of the law firms with which Van Lanschot N.V. works. For this reason, Ms Kersten is not an independent supervisory board member within the meaning of the Corporate Governance Code. Van Lanschot N.V. is of the opinion that Ms Kersten is an extremely qualified supervisory director whose appointment is beneficial to Van Lanschot N.V. in terms of expertise, experience and diversity. Deviation from the Corporate Governance Code on this point is therefore considered reasonable by the Supervisory Board.

The period of office of all members of the Board of Managing Directors of Van Lanschot N.V. and the Bank is four years, in compliance with best practice provision II.1.1 of the Corporate Governance Code. This best practice provision is applied in such a way that the term of office of members of the Board of Managing Directors to be appointed or reappointed expires on the date of the Annual General Meeting of Shareholders held in the fourth year after the (re)appointment concerned.

#### **Agenda items in the 2015 Annual General Meeting of Van Lanschot N.V.**

On 31 March 2015, Van Lanschot N.V. published the agenda for the Annual General Meeting to be held on 13 May 2015 ("**AGM**"). In this agenda, amongst others, Van Lanschot N.V. announced that the following topics will be discussed and/or proposed for voting:

- a. *The introduction of an Executive Board (discussion item);*
- b. *A change to the composition of the Supervisory Board (voting item):*

In accordance with the retirement schedule, the terms of office of Mr T. de Swaan, Mr W.W. Duron and Ms H.H. Kersten will end upon closure of the Annual General Meeting. A proposal will be made to re-appoint Mr Tom de Swaan and Mr Willy Duron. Ms Heleen Kersten will not be available for reappointment. A proposal will be made for the appointment of Ms B. Langius (Dutch, 1960) as member of the Supervisory Board.

- c. *Changes to the Articles of Association (voting item):*

The main changes to the Articles of Association include:

- the removal of the Class B Shares.  
There are no longer any Class B Shares outstanding and the last-issued Class B Shares were converted into Class A Shares in November 2013. The provisions in the Articles of Association governing Class B Shares can therefore be removed from the Articles of Association;
- a change to authorised share capital and the composition of such share capital among Class A Shares and Class C Shares; and
- the right to put items on the agenda will be changed from 1% to the legal threshold, and the Articles of Association will refer to the law. On 1 July 2013 the legal threshold was raised from 1% to 3%.

Further and more detailed information on the topics of the AGM may be found on <https://corporate.vanlanschot.nl/media/2010/van-lanschot-agm-agenda-2015.pdf>. If and when these voting items are adopted by the AGM, certain information in this section may change accordingly. There is no assurance that these voting items will be adopted the AGM.

#### **Selected Financial Information Van Lanschot N.V.**

Van Lanschot N.V. (solely for the purpose of this Base Prospectus, the "**Guarantor**") has issued a written undertaking of joint and several liability for all debts arising from any legal act of the Bank under Section 2:403 of the Netherlands Civil Code (the "**403-Declaration**" and solely for the purpose of this Base Prospectus, the "**Guarantee**"). As a consequence, the Bank is exempt from the publication of financial statements and its financial data are consolidated into Van Lanschot N.V.'s financial statements.

On the basis of the 403-Declaration, Van Lanschot N.V. will be jointly and severally liable with the Bank for the debts resulting from legal acts of the Bank. Van Lanschot N.V. has the right to withdraw the 403-Declaration at any time by depositing a declaration to this effect with the Chamber of Commerce. Nevertheless, the liability shall continue in respect of obligations which arise from legal acts performed before the withdrawal could be invoked against a creditor. Van Lanschot N.V. can also file a notice of its intention to terminate its remaining liability after withdrawal of the 403-Declaration. Such remaining liability will terminate if certain conditions are met, inter alia, that (i) the Bank no longer belongs to the same group of companies as Van Lanschot N.V. and (ii) a two month notice period has expired and the relevant creditor has not opposed the intention to terminate in time or such opposition was dismissed by the court.

## Key data

| <i>(x € million)</i>  |            |            |            |            |
|---|------------|------------|------------|------------|
|   | 31/12/2014 | 30/06/2014 | 31/12/2013 | 30/06/2013 |
| <b>Statement of income</b>  |            |            |            |            |
| Income from operating activities                                  | 566.2      | 305.0      | 551.2      | 292.7      |
| Operating expenses  | 337.1      | 210.3      | 408.6      | 204.8      |
| Impairments   | 95.5       | 40.2       | 105.1      | 46.5       |
| Operating result before tax                                       | 133.5      | 54.6       | 37.4       | 41.4       |
| Net result  | 108.7      | 49.4       | 33.5       | 36.4       |
| Efficiency ratio (%)  | 59.5       | 68.9       | 74.1       | 70.0       |
| <i>(x € million)</i>  |            |            |            |            |
|   | 31/12/2014 | 30/06/2014 | 31/12/2013 | 30/06/2013 |
| <b>Balance sheet and capital management</b>                       |            |            |            |            |
| Equity attributable to shareholders                               | 1,292      | 1,268      | 1,283      | 1,276      |
| Equity attributable to non-controlling interests                  | 58         | 55         | 55         | 56         |
| Savings and deposits  | 10,499     | 10,480     | 10,161     | 10,142     |
| Loans and advances to customers                                   | 11,021     | 11,929     | 12,491     | 13,090     |
| Total assets  | 17,259     | 17,694     | 17,670     | 17,057     |
| Funding ratio (%)   | 95.3       | 87.9       | 81.3       | 77.5       |
| Risk-weighted assets <sup>1</sup>                                 | 7,356      | 8,137      | 9,003      | 9,505      |
| Common Equity Tier I-ratio (phase-in) <sup>1</sup>                | 14.6       | 13.8       | 13.1       | 12.5       |
| Tier I ratio (%) <sup>1</sup>                                     | 14.6       | 13.8       | 13.1       | 12.5       |
| BIS total capital ratio (%) <sup>1</sup>                          | 15.2       | 14.5       | 13.9       | 13.4       |
| <i>(x € billion)</i>  |            |            |            |            |
|   | 31/12/2014 | 30/06/2014 | 31/12/2013 | 30/06/2013 |
| <b>Client assets</b>  |            |            |            |            |
| Client assets   | 57.4       | 56.1       | 53.4       | 51.3       |
| - Assets under management   | 46.9       | 45.6       | 43.2       | 41.2       |
| - Savings and deposits  | 10.5       | 10.5       | 10.2       | 10.1       |
| Assets under management   | 46.9       | 45.6       | 43.2       | 41.2       |
| - Discretionary   | 35.7       | 34.2       | 31.8       | 29.8       |
| - Non-discretionary   | 11.2       | 11.4       | 11.4       | 11.4       |
| <i>(x € billion)</i>  |            |            |            |            |
|   | 31/12/2014 | 30/06/2014 | 31/12/2013 | 30/06/2013 |
| <b>Key figures</b>  |            |            |            |            |
| Weighted average number of outstanding ordinary shares (x 1,000)  | 40,919     | 40,951     | 40,918     | 40,891     |
| Earnings per share based on average number of ordinary shares (€) | 2.42       | 1.14       | 0.71       | 0.78       |
| Return on average Common Equity Tier I capital (%) <sup>2</sup>   | 8.8        | 8.1        | 2.5        | 5.4        |
| Number of staff (FTEs)  | 1,772      | 1,871      | 1,992      | 2,060      |

<sup>1</sup> Per 30 June 2014 in line with Basel III on a phase-in basis. The comparative figures relate to Basel II.

<sup>2</sup> Per 30 June 2014 Common Equity Tier I capital. The comparative figures Core Tier I capital.

*These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2014 and 31 December 2013 of Van Lanschot N.V. and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot N.V. as of and for the periods ended 30 June 2014 and 30 June 2013. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.*

### **Sources of funds**

| <i>(x € thousand)</i>   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|
|   | <b>31/12/2014</b> | <b>30/06/2014</b> | <b>31/12/2013</b> | <b>30/06/2013</b> |
| Financial liabilities held for trading                                | 71                | 3,981             | 798               | 809               |
| Due to banks  | 879,972           | 1,137,541         | 1,175,422         | 1,385,632         |
| Public and private sectors liabilities                                | 10,499,160        | 10,480,264        | 10,161,397        | 10,142,319        |
| Financial liabilities designated at fair value through profit or loss | 705,912           | 537,733           | 357,633           | 274,824           |
| Derivatives (liabilities)   | 381,313           | 367,158           | 299,662           | 298,116           |
| Issued debt securities  | 3,073,410         | 3,364,241         | 3,849,119         | 3,145,307         |
| Provisions  | 21,256            | 105,048           | 35,910            | 51,153            |
| Current tax liabilities   | 507               | 15,468            | 22,904            | 8,960             |
| Deferred tax liabilities  | 10,095            | 10,690            | 8,358             | 10,932            |
| Other liabilities   | 215,809           | 224,850           | 291,978           | 276,220           |
| Subordinated loans  | 121,415           | 123,491           | 128,218           | 130,293           |
| <b>Total liabilities</b>  | <b>15,908,920</b> | <b>16,370,465</b> | <b>16,331,399</b> | <b>15,724,565</b> |

*These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2014 and 31 December 2013 of Van Lanschot N.V. and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot N.V. as of and for the periods ended 30 June 2014 and 30 June 2013. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.*

## FINANCIAL STATEMENTS OF VAN LANSCHOT N.V.

The financial information set out below is included in the 2014 audited consolidated annual financial statements as of and for the financial year ended 31 December 2014 (see item b of the 'Documents incorporated by reference'), which can be obtained from the website of Van Lanschot N.V. at <https://corporate.vanlanschot.nl/en/financial/debt-investors/debt-issuance-programme>.

### CONSOLIDATED BALANCE SHEET

| <i>(x € thousand)</i>  |                   |                   |                   |                   |
|--|-------------------|-------------------|-------------------|-------------------|
|  | 31/12/2014        | 30/06/2014        | 31/12/2013        | 30/06/2013        |
| <b>Assets</b>  |                   |                   |                   |                   |
| Cash and cash equivalents and balances withdrawable with central banks | 1,156,985         | 1,072,152         | 1,999,963         | 869,804           |
| Financial assets held for trading                                      | 43,153            | 57,385            | 47,083            | 53,548            |
| Due from banks   | 449,125           | 474,420           | 429,215           | 402,079           |
| Financial assets designated at fair value through profit or loss       | 1,309,524         | 1,250,174         | 725,938           | 582,000           |
| Available-for-sale investments   | 1,952,731         | 1,677,328         | 1,197,731         | 1,268,630         |
| Held-to-maturity investments   | 533,708           | 424,486           | -                 | -                 |
| Loans and advances to the public and private sectors                   | 11,021,107        | 11,929,097        | 12,490,723        | 13,089,550        |
| Derivatives (receivables)  | 275,093           | 227,456           | 208,134           | 179,430           |
| Investments in associates using the equity method                      | 50,679            | 41,253            | 50,385            | 53,318            |
| Property, plant and equipment  | 76,392            | 84,894            | 84,638            | 100,661           |
| Goodwill and other intangible assets                                   | 153,471           | 165,837           | 172,431           | 175,405           |
| Current tax assets   | 1,258             | 1,246             | 13,616            | 6,947             |
| Deferred tax assets  | 59,831            | 74,259            | 59,797            | 59,664            |
| Other assets   | 176,381           | 213,800           | 190,711           | 215,875           |
| <b>Total assets</b>  | <b>17,259,438</b> | <b>17,693,787</b> | <b>17,670,365</b> | <b>17,056,911</b> |
| <i>(x € thousand)</i>  |                   |                   |                   |                   |
|  | 31/12/2014        | 30/06/2014        | 31/12/2013        | 30/06/2013        |
| <b>Equity and liabilities</b>  |                   |                   |                   |                   |
| Financial liabilities held for trading                                 | 71                | 3,981             | 798               | 809               |
| Due to banks   | 879,972           | 1,137,541         | 1,175,422         | 1,385,632         |
| Public and private sectors liabilities                                 | 10,499,160        | 10,480,264        | 10,161,397        | 10,142,319        |
| Financial liabilities designated at fair value through profit or loss  | 705,912           | 537,733           | 357,633           | 274,824           |
| Derivatives (liabilities)  | 381,313           | 367,158           | 299,662           | 298,116           |
| Issued debt securities   | 3,073,410         | 3,364,241         | 3,849,119         | 3,145,307         |
| Provisions   | 21,256            | 105,048           | 35,910            | 51,153            |
| Current tax liabilities  | 507               | 15,468            | 22,904            | 8,960             |
| Deferred tax liabilities   | 10,095            | 10,690            | 8,358             | 10,932            |
| Other liabilities  | 215,809           | 224,850           | 291,978           | 276,220           |
| Subordinated loans   | 121,415           | 123,491           | 128,218           | 130,293           |
| <b>Total liabilities</b>   | <b>15,908,920</b> | <b>16,370,465</b> | <b>16,331,399</b> | <b>15,724,565</b> |
| Issued share capital   | 41,017            | 41,017            | 41,017            | 41,017            |
| Treasury shares  | -3,639            | -1,100            | -2,135            | -2,776            |
| Share premium  | 479,914           | 479,914           | 479,914           | 479,914           |
| Other reserves   | 675,988           | 701,980           | 735,461           | 726,606           |
| Undistributed profit attributable to                                   | 98,994            | 46,497            | 29,230            | 31,726            |

|  |                   |                   |                   |                   |
|--|-------------------|-------------------|-------------------|-------------------|
| shareholders of Van Lanschot N.V.  |                   |                   |                   |                   |
| <b>Equity attributable to shareholders of Van Lanschot N.V.</b>                | <b>1,292,274</b>  | <b>1,268,308</b>  | <b>1,283,487</b>  | <b>1,276,487</b>  |
| Equity instruments issued by subsidiaries                                      | 27,250            | 36,013            | 36,063            | 36,063            |
| Undistributed profit attributable to equity instruments issued by subsidiaries | 1,110             | 566               | 1,125             | 558               |
| <b>Equity attributable to equity instruments issued by subsidiaries</b>        | <b>28,360</b>     | <b>36,579</b>     | <b>37,188</b>     | <b>36,621</b>     |
| Other non-controlling interests  | 21,287            | 16,066            | 15,140            | 15,144            |
| Undistributed profit attributable to other non-controlling interests           | 8,597             | 2,369             | 3,151             | 4,094             |
| <b>Equity attributable to other non-controlling interests</b>                  | <b>29,884</b>     | <b>18,435</b>     | <b>18,291</b>     | <b>19,238</b>     |
| <b>Total equity</b>  | <b>1,350,518</b>  | <b>1,323,322</b>  | <b>1,338,966</b>  | <b>1,332,346</b>  |
| <b>Total equity and liabilities</b>  | <b>17,259,438</b> | <b>17,693,787</b> | <b>17,670,365</b> | <b>17,056,911</b> |
| Contingent liabilities   | 115,564           | 132,531           | 177,912           | 199,522           |
| Irrevocable commitments  | 541,373           | 434,888           | 447,342           | 980,678           |
|  | 656,937           | 567,419           | 625,254           | 1,180,200         |

*These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2014 and 31 December 2013 of Van Lanschot N.V. and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot N.V. as of and for the periods ended 30 June 2014 and 30 June 2013. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.*

#### **SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER 2014**

| <i>(x € thousand)</i>   |                  |                  |
|---|------------------|------------------|
|   | <b>2014</b>      | <b>2013</b>      |
| <b>Opening balance</b>  | <b>1,338,966</b> | <b>1,315,208</b> |
| Net result for the year   | 108,701          | 33,506           |
| Revaluation of shares, investments and derivatives (other comprehensive income) | -82,100          | -8,977           |
| Dividends   | -12,857          | -2,802           |
| Movements by virtue of share option plan  | -339             | 1,038            |
| Redemption equity instruments issued by subsidiaries                            | -8,813           | -                |
| Acquisition of/change in non-controlling interests                              | 6,535            | 1,145            |
| Others  | 425              | -152             |
| <b>Closing balance</b>  | <b>1,350,518</b> | <b>1,338,966</b> |

#### **SUMMARISED CONSOLIDATED CASH FLOW STATEMENT FOR 2014**

| <i>(x € thousand)</i>                           |                  |                  |
|---|------------------|------------------|
|   | <b>2014</b>      | <b>2013</b>      |
| <b>Cash and cash equivalents at 1 January</b>   | <b>1,986,037</b> | <b>1,670,625</b> |
| Net cash flow from operating activities         | 893,627          | -813,298         |
| Net cash flow from investing activities         | -1,261,003       | -320,935         |
| Net cash flow from financing activities         | -496,730         | 1,449,645        |
| <b>Cash and cash equivalents at 31 December</b> | <b>1,121,931</b> | <b>1,986,037</b> |

These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2014 and 31 December 2013 of Van Lanschot N.V. and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot N.V. as of and for the periods ended 30 June 2014 and 30 June 2013. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.

## CONSOLIDATED STATEMENT OF INCOME

| <i>(x € thousand)</i>                                      |                |                |                |                |
|--|----------------|----------------|----------------|----------------|
|  | 31/12/2014     | 30/06/2014     | 31/12/2013     | 30/06/2013     |
| <b>Income from operating activities</b>                    |                |                |                |                |
| Interest income  | 735,397        | 387,346        | 780,728        | 388,651        |
| Interest expense   | 522,927        | 281,370        | 568,517        | 281,500        |
| <b>Net interest income</b>                                 | <b>212,470</b> | <b>105,976</b> | <b>212,211</b> | <b>107,151</b> |
| Income from associates using the equity method             | 36,593         | 33,624         | 10,602         | 8,748          |
| Other income from securities and associates                | 18,683         | 8,393          | 6,524          | 5,435          |
| <b>Income from securities and associates</b>               | <b>55,276</b>  | <b>42,017</b>  | <b>17,126</b>  | <b>14,183</b>  |
| Commission income  | 248,330        | 117,825        | 240,294        | 122,692        |
| Commission expense   | 8,021          | 4,117          | 7,017          | 3,659          |
| <b>Net commission income</b>                               | <b>240,309</b> | <b>113,708</b> | <b>233,277</b> | <b>119,033</b> |
| <b>Profit on financial transactions</b>                    | <b>41,971</b>  | <b>34,061</b>  | <b>66,273</b>  | <b>41,758</b>  |
| <b>Other income</b>  | <b>16,161</b>  | <b>9,285</b>   | <b>22,306</b>  | <b>10,608</b>  |
| <b>Total income from operating activities</b>              | <b>566,187</b> | <b>305,047</b> | <b>551,193</b> | <b>292,733</b> |
| <b>Expenses</b>  |                |                |                |                |
| Staff costs  | 151,669        | 112,176        | 239,662        | 117,549        |
| Other administrative expenses                              | 162,958        | 86,944         | 153,081        | 75,768         |
| <b>Staff costs and other administrative expenses</b>       | <b>314,627</b> | <b>199,120</b> | <b>392,743</b> | <b>193,317</b> |
| <b>Depreciation and amortisation</b>                       | <b>22,511</b>  | <b>11,181</b>  | <b>15,890</b>  | <b>11,517</b>  |
| <b>Operating expenses</b>                                  | <b>337,138</b> | <b>210,301</b> | <b>408,633</b> | <b>204,834</b> |
| Addition to loan loss provision                            | 75,998         | 35,485         | 102,385        | 41,545         |
| Other impairments  | 19,531         | 4,668          | 2,732          | 4,986          |
| <b>Impairments</b>   | <b>95,529</b>  | <b>40,153</b>  | <b>105,117</b> | <b>46,531</b>  |
| <b>Total expenses</b>                                      | <b>432,667</b> | <b>250,454</b> | <b>513,750</b> | <b>251,365</b> |
| <b>Operating result before tax</b>                         | <b>133,520</b> | <b>54,593</b>  | <b>37,443</b>  | <b>41,368</b>  |
| <b>Income tax</b>  | <b>24,819</b>  | <b>5,161</b>   | <b>3,937</b>   | <b>4,990</b>   |
| <b>Net result</b>  | <b>108,701</b> | <b>49,432</b>  | <b>33,506</b>  | <b>36,378</b>  |
| Of which attributable to shareholders of Van Lanschot N.V. | 98,994         | 46,497         | 29,230         | 31,726         |
| Of which attributable to equity instruments                | 1,110          | 566            | 1,125          | 558            |



|  |       |       |       |       |
|--|-------|-------|-------|-------|
| issued by subsidiaries                                   |       |       |       |       |
| Of which attributable to other non-controlling interests | 8,597 | 2,369 | 3,151 | 4,094 |
| Earnings per ordinary shares (€)                         | 2.42  | 1.14  | 0.71  | 0.78  |
| Diluted earnings per ordinary share (€)                  | 2.40  | 1.13  | 0.71  | 0.77  |
| Proposed dividend per ordinary share (€)                 | 0.40  | -     | 0.20  | -     |

*These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2014 and 31 December 2013 of Van Lanschot N.V. and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot N.V. as of and for the periods ended 30 June 2014 and 30 June 2013. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.*

## CONSOLIDATED CASH FLOW STATEMENT

| <i>(x € thousand)</i>   |                |                 |
|---|----------------|-----------------|
|   | 31/12/2014     | 31/12/2013      |
| <b>Operating result before tax</b>  | <b>133,520</b> | <b>37,443</b>   |
| <b>Cash flow from operating activities</b>  |                |                 |
| Adjustments for:  |                |                 |
| - Depreciation and amortisation   | 22,549         | 24,133          |
| - Costs of share plans  | 1,970          | 1,340           |
| - Shares of profit of associates using the equity method  | -9,763         | -10,095         |
| - Unrealised net gains/(losses) on financial assets designated as at fair value through profit or loss      | -103,748       | 13,232          |
| - Unrealised net gains/(losses) on financial liabilities designated as at fair value through profit or loss | 28,844         | -6,900          |
| - Unrealised net gains/(losses) results on derivatives (receivables and liabilities)                        | -20,975        | 5,235           |
| - Impairments   | 95,529         | 105,117         |
| - Ending of defined benefit pension scheme  | -122,660       | -               |
| - Changes in provisions   | -7,416         | -               |
| <b>Cash flows from operating activities</b>   | <b>17,850</b>  | <b>169,505</b>  |
| Net increase/(decrease) in operating assets and liabilities   |                |                 |
| - Financial assets/liabilities held for trading   | 3,203          | 5,106           |
| - Financial assets designated at fair value through profit or loss  | -480,920       | -105,862        |
| - Due from/due to banks   | -336,488       | -382,903        |
| - Loans and advances to the public and private sectors/public and private sector liabilities                | 1,714,052      | -336,978        |
| - Derivatives (receivables and liabilities)   | 57,718         | -69,542         |
| - Withdrawals from restructuring provision and other provisions   | -11,332        | -19,348         |
| - Other assets and liabilities  | -66,880        | -76,815         |
| - Income taxes paid/received  | -6,939         | 506             |
| - Dividends received  | 3,363          | 3,033           |
| <b>Total movement in assets and liabilities</b>   | <b>875,777</b> | <b>-982,803</b> |
| <b>Net cash flow from operating activities</b>  | <b>893,627</b> | <b>-813,298</b> |
| <b>Cash flows from investing activities</b>   |                |                 |

|   |                   |                  |
|---|-------------------|------------------|
| Investments and acquisitions  |                   |                  |
| - Investments in debt instruments   | -3,935,383        | -1,120,065       |
| - Investments in equity instruments   | -242              | -1,741           |
| - Investments in associates using equity method   | -7,775            | -1,082           |
| - Property, plant and equipment   | -11,651           | -14,353          |
| - Goodwill and other intangible assets  | -1,590            | -16,134          |
| Divestments, repayments and disposals   |                   |                  |
| - Investments in debt instruments   | 2,668,971         | 802,696          |
| - Investments in equity instruments   | 3,297             | 1,170            |
| - Investments in associates using equity method   | 9,820             | 2,904            |
| - Property, plant and equipment   | 5,423             | 23,780           |
| - Goodwill and other intangible assets  | 3,033             | 35               |
| Dividends received  | 5,094             | 1,855            |
| <b>Net cash flow from investing activities</b>  | <b>-1,261,003</b> | <b>-320,935</b>  |
| <b>Cash flow from financing activities</b>  |                   |                  |
| Options issued  | 543               | 20               |
| Repurchased equity instruments  | -2,693            | -                |
| Equity instruments issued by subsidiaries   | -8,813            | -                |
| Other non-controlling interests   | 6,535             | 1,145            |
| Redemption of subordinated loans  | -6,652            | -4,110           |
| Receipts on debt securities   | 204,268           | 1,930,558        |
| Redemption on debt securities   | -996,496          | -625,345         |
| Receipts on financial liabilities designated at fair value through profit or loss           | 402,755           | 175,348          |
| Redemption on financial liabilities designated at fair value through profit or loss         | -83,320           | -25,169          |
| Dividends paid  | -12,857           | -2.802           |
| <b>Net cash flow from financing activities</b>  | <b>-496,730</b>   | <b>1,449,645</b> |
| <b>Net decrease in cash and cash equivalents and balances withdrawable at central banks</b> | <b>-864,106</b>   | <b>315,412</b>   |
| Cash and cash equivalents and balances withdrawable at central banks at 1 January           | 1,986,037         | 1,670,625        |
| Cash and cash equivalents and balances withdrawable at central banks at 31 December         | 1,121,931         | 1,986,037        |
| <b>Supplementary disclosure</b>   |                   |                  |
| Cash flows from interest received   | 725,648           | 792,275          |
| Cash flows from interest paid   | 569,258           | 633,152          |

*These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2014 and 31 December 2013 of Van Lanschot N.V. and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot N.V. as of and for the periods ended 30 June 2014 and 30 June 2013. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.*

# TAXATION

## THE NETHERLANDS

### General

The following is a general summary of certain Netherlands tax consequences of the acquisition, holding and disposal of the Notes. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with corresponding caution. Holders or prospective holders of Notes should consult with their tax advisers with regard to the tax consequences of investing in the Notes in their particular circumstances. The discussion below is included for general information purposes only.

Except as otherwise indicated, this summary only addresses Netherlands national tax legislation and published regulations, whereby the Netherlands means the part of the Kingdom of the Netherlands located in Europe, as in effect on the date hereof and as interpreted in published case law until this date, without prejudice to any amendment introduced at a later date and implemented with or without retroactive effect.

### Withholding tax

All payments of principal and/or interest made by the Issuer under the Notes may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, unless the Notes qualify or are treated as equity of the Issuer for Netherlands tax purposes.

### Taxes on income and capital gains

Please note that the summary in this section does not describe the Netherlands tax consequences for:

- (i) holders of Notes if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest or deemed substantial interest in the Issuer under The Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his/her partner (as defined in The Netherlands Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit sharing rights in that company that relate to 5% or more of the company's annual profits and/or to 5% or more of the company's liquidation proceeds. A deemed substantial interest may arise if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;
- (ii) pension funds, investment institutions (*fiscale beleggingsinstellingen*), exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (as defined in The Netherlands Corporate Income Tax Act 1969; *Wet op de vennootschapsbelasting 1969*) and other entities that are, in whole or in part, not subject to or exempt from Netherlands corporate income tax; and
- (iii) holders of Notes who are individuals for whom the Notes or any benefit derived from the Notes are a remuneration or deemed to be a remuneration for activities performed by such holders or certain individuals related to such holders (as defined in The Netherlands Income Tax Act 2001).

### *Residents of the Netherlands*

Generally speaking, if the holder of Notes is an entity that is a resident or deemed to be resident of the Netherlands for Netherlands corporate income tax purposes, any payment under the Notes or any gain or loss realised on the disposal or deemed disposal of the Notes is subject to Netherlands corporate income tax at a rate

of 20% with respect to taxable profits up to €200,000 and 25% with respect to taxable profits in excess of that amount.

If a holder of Notes is an individual, resident or deemed to be resident of the Netherlands for Netherlands income tax purposes, any payment under the Notes or any gain or loss realised on the disposal or deemed disposal of the Notes is taxable at the progressive income tax rates (with a maximum of 52%), if:

- (i) the Notes are attributable to an enterprise from which the holder of Notes derives a share of the profit, whether as an entrepreneur or as a person who has a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise without being a shareholder (as defined in The Netherlands Income Tax Act 2001); or
- (ii) the holder of Notes is considered to perform activities with respect to the Notes that go beyond ordinary asset management (*normaal, actief vermogensbeheer*) or derives benefits from the Notes that are taxable as benefits from other activities (*resultaat uit overige werkzaamheden*).

If the above-mentioned conditions (i) and (ii) do not apply to the individual holder of Notes, such holder will be taxed annually on a deemed income of 4% of his/her net investment assets for the year at an income tax rate of 30%. The net investment assets for the year are the fair market value of the investment assets less the allowable liabilities on 1 January of the relevant calendar year. The Notes are included as investment assets. A tax free allowance may be available. An actual gain or loss in respect of the Notes is not subject to Netherlands income tax.

#### *Non-residents of the Netherlands*

A holder of Notes that is neither resident nor deemed to be resident of the Netherlands will not be subject to Netherlands taxes on income or capital gains in respect of any payment under the Notes or in respect of any gain or loss realised on the disposal or deemed disposal of the Notes, provided that:

- (i) such holder does not have an interest in an enterprise or deemed enterprise (as defined in The Netherlands Income Tax Act 2001 and The Netherlands Corporate Income Tax Act 1969) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes are attributable; and
- (ii) in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Notes that go beyond ordinary asset management and does not derive benefits from the Notes that are taxable as benefits from other activities in the Netherlands.

#### **Gift and inheritance taxes**

##### *Residents of the Netherlands*

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Notes by way of a gift by, or on the death of, a holder of such Notes who is resident or deemed resident of the Netherlands at the time of the gift or his/her death.

##### *Non-residents of the Netherlands*

No Netherlands gift or inheritance taxes will arise on the transfer of Notes by way of gift by, or on the death of, a holder of Notes who is neither resident nor deemed to be resident in the Netherlands, unless:

- (i) in the case of a gift of a Note by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands; or
- (ii) the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands.

For purposes of Netherlands gift and inheritance taxes, amongst others, a person that holds the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his/her death. Additionally, for purposes of Netherlands gift tax, amongst others, a person not holding the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable tax treaties may override deemed residency.

#### **Value added tax (VAT)**

No Netherlands VAT will be payable by the holders of the Notes on (i) any payment in consideration for the issue of the Notes or (ii) the payment of interest or principal by the Issuer under the Notes.

#### **Other taxes and duties**

No Netherlands registration tax, stamp duty or any other similar documentary tax or duty will be payable by the holders of the Notes in respect of (i) the issue of the Notes or (ii) the payment of interest or principal by the Issuer under the Notes.

### **BELGIUM**

#### **General**

The following information is general in nature with respect to the Belgian tax treatment of Notes. It does not constitute tax advice and does not purport to describe all tax considerations or consequences that may be relevant to a Noteholder or prospective Noteholder with respect to an investment in the Notes. In certain cases, other rules may apply. Moreover, the tax laws and their interpretation are liable to change at any time. Potential investors who would like complete information about the tax consequences in Belgium of the acquisition, holding and assignment of the Notes should consult their regular financial and tax advisors.

Except as otherwise indicated, this summary only addresses Belgian tax legislation, as in effect and in force at the date hereof, as interpreted in published case law, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect. Taking into account that the Issuer is a resident of the Netherlands, please refer to the subsection '*The Netherlands*' of this section for a summary of Dutch taxation rules that may apply to non-Dutch investors.

#### **Income tax and withholding tax**

For Belgian tax purposes, the following amounts are qualified and taxable as "interest": (i) periodic interest income, (ii) amounts paid by the Issuer in excess of the issue price (whether or not on the maturity date), and (iii) in case of a realization of the Notes between two interest payment dates, the pro rata of accrued interest corresponding to the detention period. For the purposes of the following paragraphs, any such gains and accrued interest are therefore referred to as "interest".

For Belgian tax purposes, if interest is in a foreign currency, it is converted to euro on the date of payment or attribution.

##### **(i) Tax rules applicable to Belgian resident individuals**

Individuals Noteholders resident in Belgium for tax purposes are, in principle, subject to personal income tax in Belgium (*impôt des personnes physiques/personenbelasting*) and will, in principle, be subject to the tax treatment described below insofar as the Notes are concerned. Other rules may apply in specific situations, in particular if an individual holds the Notes in the context of a professional activity or if the investment in the Notes falls outside the scope of normal wealth management.

Payments of interest on the Notes made through a paying agent in Belgium or made by or attributable to Van Lanschot Belgium will in principle be subject to a 25% withholding tax in Belgium (computed on the interest received after deduction of any non-Belgian withholding taxes). The Belgian withholding tax constitutes the final income tax for Belgian resident individuals. This means that they do not have to declare the interest obtained on the Notes in their personal income tax return, provided Belgian withholding tax was levied on these interest payments.

If the interest income is not collected through a paying agent in Belgium or paid by or attributable to Van Lanschot Belgium, no Belgian withholding tax is due. Interest payments that have not undergone Belgian withholding tax, must be declared in the personal income tax return and will be taxed separately at a flat rate of 25% (unless the globalisation with the other income would be more advantageous).

If the interest is received through a foreign paying agent within the meaning of the EU Savings Directive and such agent levied the Home State Tax (as defined in the subsection '*EU Savings Directive*' below), such Home State Tax does not relieve the Belgian individual from declaring the interest income in his personal income tax return. However, the Home State Tax will be imputed on the beneficiary's tax liability. If the Home State Tax exceeds the taxpayer's tax liability, the surplus will be refunded provided it is at least €2.50. The rate of the Home State Tax is currently 35%.

Capital gains realized on the sale of the Notes are in principle tax exempt, unless the capital gains are realized outside the scope of the normal management of one's private estate, in the context of a professional activity or unless the capital gains qualify as interest (as defined above). Capital losses are in principle not tax deductible.

**(ii) Tax rules applicable to Belgian resident corporations**

Companies Noteholders resident in Belgium for tax purposes are, in principle, subject to corporate income tax in Belgium (*impôt des sociétés/vennootschapsbelasting*) and will, in principle, be subject to the tax treatment described below insofar as the Notes are concerned.

Interest derived from and capital gains realized on the Notes by Belgian corporate investors will in principle be subject to Belgian corporate income tax at a rate of 33.99%. If the income has been subject to a foreign withholding tax, a foreign tax credit will be applied on the Belgian tax due. For interest income, the foreign tax credit is generally equal to a fraction where the numerator is equal to the foreign tax and the denominator is equal to 100 minus the rate of the foreign tax, up to a maximum of 15/85 of the net amount received (subject to some further limitations). Capital losses are in principle tax deductible.

To the extent that payments of interest on the Notes are made through a paying agent in Belgium or made by or attributable to Van Lanschot Belgium, such payments will in principle be subject to a 25% withholding tax in Belgium (computed on the interest received after deduction of any non-Belgian withholding taxes). In certain circumstances, exemption from withholding tax may be available. For zero coupon or capitalisation notes, however, an exemption will only apply if the Belgian corporate investor and the Issuer are associated companies within the meaning of article 105, 6° of the Royal Decree of 27 August 1993 implementing the Belgian Income Tax Code of 1992. The withholding tax that has been levied, if any, is creditable against the corporate income tax due, subject to certain conditions.

**(iii) Tax rules applicable to other legal entities resident in Belgium**

Legal entities Noteholders resident in Belgium for tax purposes are, in principle, subject to legal entities tax in Belgium (*impôt des personnes morales/rechtspersonenbelasting*) and will, in principle, be subject in Belgium to the tax treatment described below insofar as the Notes are concerned.

Payments of interest on the Notes made through a paying agent in Belgium or made by or attributable to Van Lanschot Belgium will in principle be subject to a 25% withholding tax in Belgium. No further tax on legal entities will be due on the interest payment.

However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent and thus without the deduction of Belgian withholding tax, the legal entity itself is responsible for the declaration and payment of the 25% withholding tax.

Capital gains realized on the sale of the Notes are in principle not taxable, unless the capital gain qualifies as interest (as defined above). Capital losses are in principle not tax deductible.

(iv) ***Tax rules applicable to non-residents***

Noteholders not resident in Belgium for tax purposes are, in principle, subject to non-resident income tax in Belgium (*impôt des non-résidents/belasting van niet-inwoners*) and will, in principle, be subject to the tax treatment described below insofar as the Notes are concerned.

Payments of interest on the Notes made through a paying agent in Belgium or made by or attributable to Van Lanschot Belgium will in principle be subject to a 25% withholding tax, save the application of a double taxation agreement (if any). Non-resident investors that do not hold the Notes through a Belgian establishment can also obtain an exemption of Belgian withholding tax on interest if certain conditions are met.

The non-residents who use the Notes to exercise a professional activity in Belgium through a permanent establishment are subject to the same tax rules as the Belgian resident companies (see above, subsection '*Tax rules applicable to Belgian resident corporations*').

Non-resident Noteholders who do not allocate the Notes to a professional activity in Belgium and who do not hold the Notes through a Belgian establishment are not subject to Belgian income tax, save, as the case may be, in the form of withholding tax.

**Tax on stock exchange transactions**

A tax on stock exchange transactions (*taxe sur des opérations de bourse/taks op de beursverrichtingen*) at a rate of 0.09% (subject to a maximum amount of EUR 650 per party and per transaction) is due upon the sale and purchase of the Notes entered into or settled in Belgium in which a professional intermediary acts for either party and to the extent that they relate to public funds. The notion "public funds" refers to all marketable securities, which, by their nature, are susceptible of being traded on an organized exchange. The tax is due from each of the seller and the purchaser, both collected by the professional intermediary.

The tax will not be payable by exempt persons acting for their own account, including investors who are not Belgian residents and certain Belgian institutional investors as defined in Article 126<sup>1</sup> of the Code of miscellaneous duties and taxes (*Code des droits et taxes divers/Wetboek diverse rechten en taksen*).

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

**The above description does not constitute a summary of the tax laws currently in force, which are liable to change and evolve over time. In each case, please consult your tax and financial advisor concerning your individual situation as well as further to any change in the tax laws.**

**EU Savings Directive**

Under the EU Savings Directive, each Member State is required to provide to the tax authorities of another Member State details of certain payments of interest or other similar income paid by a person within its jurisdiction to, or secured by such a person for, an individual resident in that other Member State.

On 24 March 2014, the EU Savings Directive has been amended by the Amending Savings Directive. The Amending Savings Directive broadens the scope of the requirements described above. Member States have until 1 January 2016 to adopt the national legislation necessary to comply with the Amending Savings Directive. The Amending Savings Directive will apply from 1 January 2017. The changes will expand the range of payments covered by the EU Savings Directive, in particular to include additional types of income payable on securities. The Amending Savings Directive will also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported. This approach will apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and

may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

For a transitional period, Austria is required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments, deducting tax at a rate of 35%. The changes referred to above will broaden the types of payments subject to withholding in those Member States which still operate a withholding system when they are implemented.

The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries.

A number of non-EU countries, and certain dependent or associated territories of certain Member States, have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information arrangements or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

On 18 March 2015, the European Commission presented the Tax Transparency Package. The Tax Transparency Package also contains the Proposed Council Directive. The Proposed Council Directive strongly relates to the Amending Directive on Administrative Cooperation.

The Amending Directive on Administrative Cooperation provides for mandatory automatic exchange of information to a full range of income, including the automatic exchange of financial account information, in accordance with the Global Standard released by the OECD Council in July 2014. The Amending Directive on Administrative Cooperation is generally broader in scope than the EU Savings Directive and provides that in cases of overlap of scope, the Amending Directive on Administrative Cooperation prevails. In order to avoid dual reporting obligations, it has been proposed to repeal the EU Savings Directive.

Member States must adopt and publish laws, regulations and administrative provisions necessary to comply with the Amending Directive on Administrative Cooperation by 31 December 2015. They are required to apply these provisions from 1 January 2016 and to start to exchange information by September 2017. If the Proposed Council Directive will be adopted, the EU Savings Directive will be repealed with effect from 1 January 2016 and the Amending Directive would no longer have to be transposed. However, for a transitional period, certain obligations under the EU Savings Directive shall continue to apply.

## **LUXEMBOURG**

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

### ***Withholding tax***

#### ***(i) Non-resident Holders of Notes***

Under Luxembourg general tax laws currently in force, there is no Luxembourg withholding tax on payments of principal, premium or interest (including accrued but unpaid interest in respect of the Notes) made to non-resident Holders of Notes. There is also no Luxembourg withholding tax payable upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes held by non-resident Holders of the Notes.



(ii) ***Resident Holders of Notes***

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended from time to time, on the introduction of a withholding tax on certain interest payments on savings income (the "**Relibi Law**"), there is no Luxembourg withholding tax on payments of principal, premium or interest (including accrued but unpaid interest in respect of the Notes) made to resident Holders of Notes. There is also no Luxembourg withholding tax payable upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes held by resident Holders of the Notes.

Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg or to a residual entity (within the meaning of the laws of 21 June 2005 implementing the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the "**Territories**"), as amended) established in a EU Member State (other than Luxembourg) or one of the Territories and securing such payments for the benefit of such individual beneficial owner (unless, amongst other exemptions, such entities have opted either to be treated as UCITS recognized in accordance with the European Council Directive 85/611/EEC as replaced by the European Council Directive 2009/65/EC or for the exchange of information regime) are subject to a 10 per cent withholding tax. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

Payments of interest under the Notes coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of 10 %.

## SUBSCRIPTION AND SALE

The Dealers have in a programme agreement which has been amended and restated on 17 April 2015 (the "**Programme Agreement**"), agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under '*Form of the Notes*' and '*Terms and Conditions of the Notes*' above. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes thereunder.

### United States of America

1. The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to, or for the account of, or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer has represented and agreed that it has offered and sold any Notes, and will offer and sell any Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and notified as provided below, only in accordance with Rule 903 of Regulation S under the Securities Act ("**Regulation S**"). Accordingly, each Dealer had further represented and agreed that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer who has subscribed for Notes of a Tranche hereunder (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche subscribed for by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and notify to the Agent the completion of the distribution by it of the Notes of such Tranche. On the basis of such notification or notifications, the Agent will notify such Dealer/Lead Manager of the end of the Distribution Compliance Period with respect to such Tranche. Each Dealer has also agreed that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the Distribution Compliance Period a confirmation or notice to substantially the following effect:

*'The securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Securities as determined and notified by the Agent for the Securities to the [name of the relevant Dealer], except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them in Regulation S.'*

Terms used in this sub-clause 1(1) have the meanings given to them by Regulation S.

2. In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

In addition (but only in relation to Notes with an initial maturity in excess of 365 days):

where *TEFRA D* is specified in the applicable *Final Terms*:

- (a) except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) or any successor section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010 (the "**D Rules**"), each Dealer (a) represents that it has not offered or sold, and agrees that during the restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (b) represents that it has

not delivered and agrees that it will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;

- (b) each Dealer represents that it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (c) if it is a United States person, each Dealer represents that it is acquiring the Notes for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6); and
- (d) with respect to each affiliate that acquires Notes from a Dealer for the purpose of offering or selling such Notes during the restricted period, such Dealer repeats and confirms the representations and agreements contained in subparagraphs (a), (b) and (c) on such affiliate's behalf.

Terms used in this paragraph (2) have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the D Rules.

*where TEFRA C is specified in the applicable Final Terms:*

Each Dealer understands that under U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the "**C Rules**"), Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer represents and agrees that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of Notes in bearer form, the Dealer has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either the Dealer or the prospective purchaser is within the United States or its possessions or otherwise involve a U.S. office of the Dealer in the offer or sale of Notes in bearer form. Terms used in this paragraph (2) have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the C Rules.

### **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (i) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**") following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive in the period beginning and ending on the date specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (iii) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression "an offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC as amended (including by Directive 2010/73/EU) and includes any relevant implementing measure in the Relevant Member State.

### **United Kingdom**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("**FSMA 2000**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA 2000 does not, or in the case of the Issuer would not, if it was not an authorised person, apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA 2000 with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

### **The Netherlands**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that unless the relevant final terms specify that this provision does not apply because the standard exemption wording required by Article 5:20(5) of the Wft is not applicable, it will not make an offer of Notes to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Prospectus Directive or (ii) standard exemption wording is disclosed as required by Article 5:20(5) of the Wft, provided that no such offer of Notes shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Each Dealer has represented and agreed that Zero Coupon Notes (as defined below) in definitive form of any Issuer may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam with due observance of the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required in respect of (a) the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) the issue and trading of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in the Zero Coupon Note in global form) of any particular Series are issued outside the Netherlands and are not distributed into the Netherlands in the course of their initial distribution or immediately thereafter. In the event that the Dutch Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with and, in addition thereto, if such Zero Coupon Notes in definitive form do not qualify as commercial paper traded between professional borrowers and lenders within the meaning of the agreement of 2 February 1987, attached to the Royal Decree of 11 March 1987, (*Staatsblad 129*) (as amended), each transfer and acceptance should be recorded in a transaction note, including the name and address of each party to the transaction, the nature of the transaction and the details and serial numbers of such Notes. For purposes of this paragraph "**Zero Coupon Notes**" means Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the "**FIEA**") and each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of or otherwise in compliance with the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## **General**

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers or sells Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or deliveries and the Issuer shall not have any responsibility therefore. Neither the Issuer nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale. With regard to each Tranche, the relevant Dealer will be required to comply with any other additional restrictions set out in the applicable Final Terms.

## GENERAL INFORMATION

### Authorisation

The establishment of the Programme and the issue of Notes have been duly authorised by a resolution of the Management Board of the Issuer dated 8 April 2003 and the update of the Programme has been duly authorised by a resolution of the Management Board of the Issuer dated 17 February 2015. All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of the Netherlands have been given for the issue of Notes and for the Issuer to undertake and perform its obligations under the Programme Agreement, the Agency Agreement and the Notes.

### Listing

Application may be made for certain series of Notes to be listed on Euronext in Amsterdam or the Luxembourg Stock Exchange (after the CSSF has been provided with a Notification).

A legal notice relating to the Programme as well as the Articles of Association of the Issuer will be lodged with the Registre de Commerce et de Sociétés à Luxembourg where such documents may be examined and copies obtained.

However, Notes may be issued pursuant to the Programme which will not be listed on Euronext in Amsterdam or the Luxembourg Stock Exchange (after the CSSF has been provided with a Notification).

### Documents Available

For the life of the Base Prospectus and for so long as any Notes are outstanding under the Programme, copies of the following documents will, when published, be available free of charge from the registered offices of the Issuer, from the specified office of the Amsterdam Listing Agent and (after the CSSF has been provided with a Notification) from the specified office of the Luxembourg Listing Agent in Luxembourg:

- (a) an English translation of the Deed of Incorporation and the most recent Articles of Association of the Issuer and Van Lanschot N.V.;
- (b) the Dutch language publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2014 and an English translation of the publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2013 of Van Lanschot N.V. (including the respective auditor's reports hereon) as included in Van Lanschot N.V.'s annual report 2014 on page 69 to 211 and 216 and annual report 2013 on page 71 to 208 and 213 respectively;
- (c) the terms and conditions set forth on the following pages of the following Programme prospectuses of the Issuer:
  - page 21 up to and including 41 of the base prospectus dated 6 May 2004;
  - page 31 up to and including 51 of the base prospectus dated 30 August 2005;
  - page 32 up to and including 52 of the base prospectus dated 17 August 2006;
  - page 40 up to and including 61 of the base prospectus dated 23 November 2007;
  - page 69 up to and including 171 of the base prospectus dated 5 January 2009;
  - page 69 up to and including 172 of the base prospectus dated 8 January 2010;
  - page 70 up to and including 172 of the base prospectus dated 21 January 2011;
  - page 75 up to and including 182 of the base prospectus dated 14 March 2012;
  - page 48 up to and including 81 of the base prospectus dated 12 April 2013; and
  - page 77 up to and including 107 of the base prospectus dated 17 April 2014.
- (d) the Agency Agreement (which contains the forms of the Temporary and Permanent Global Notes, the Definitive Notes, the Receipts, the Coupons and the Talons);
- (e) a copy of this Base Prospectus;
- (f) any future Base Prospectuses and supplements to this Base Prospectus and any documents incorporated herein or therein by reference;
- (g) the Final Terms for each Tranche of listed Notes; and

(h) the 403-Declaration.

#### **Settlement systems**

The Notes may be accepted for settlement through Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution. The appropriate common code and ISIN for each Tranche allocated by the relevant settlement institution and any other relevant security code, will be specified in the applicable Final Terms. If the Notes are to settle through an additional or alternative system the appropriate information will be specified in the applicable Final Terms.

The addresses of settlement institutions Euroclear, Clearstream, Luxembourg and Euroclear Netherlands are: Euroclear, 1 Boulevard de Roi Albert II, 1210 Brussels, Clearstream Luxembourg, 42 Avenue J.F. Kenney, L-1855 Luxembourg, Luxembourg and Euroclear Netherlands, Herengracht 459-469, 1017 BS, Amsterdam, the Netherlands.

#### **Significant Change**

There has been no significant change in the financial or trading position of the Issuer or of Van Lanschot N.V. (taken as a whole), which has occurred since the end of the financial year ending 31 December 2014 for which period audited financial information has been published by Van Lanschot N.V. Neither has there been a material adverse change in the financial position or prospects of the Issuer or of Van Lanschot N.V., (taken as a whole) since 31 December 2014.

#### **Credit Rating Agencies**

It is expected that the Notes will have credit ratings assigned by the credit rating agencies Fitch and S&P. These rating agencies are established in the European Union. As of the date of this Base Prospectus, each of Fitch and S&P is established in the European Union and is registered under Regulation (EC) No 1060/2009 of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

#### **Ratings**

On 30 September 2014, Fitch affirmed the Bank's credit rating at "A-" (negative outlook). On 4 November 2014, S&P affirmed the Bank's credit rating at "BBB+" (stable outlook).

"A" ratings by Fitch denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

An issuer rated "BBB" by S&P exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the issuer to meet its financial commitments.

The long term ratings by Fitch and S&P may be modified by the addition of a plus ("+") or minus ("-") sign to show relative standing within the major rating categories.

#### **CRA Regulation**

Tranches of Notes may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Notes. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The rating of a certain Series or Tranches of Notes may be specified in the applicable Final Terms. Whether a credit rating applied for in relation to a relevant Series or Tranche of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation or by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation will be disclosed clearly and prominently in the applicable Final Terms.

None of these ratings is a recommendation to buy, sell or hold securities and any of them may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without prior notice.

#### **Litigation**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or, as far as the Issuer is aware, threatened) which may have or have had in the 12 months preceding the date of

this document a significant effect on the financial position or profitability of the Issuer and/or Van Lanschot N.V. or on the group of companies to which the Issuer and Van Lanschot N.V. belong taken as a whole.

**Auditors**

Ernst & Young Accountants LLP has audited, and rendered unqualified independent auditor's reports on, the financial statements of Van Lanschot N.V. for the two years ended 31 December 2014 and 31 December 2013 respectively. Ernst & Young Accountants LLP has given and has not withdrawn its written consent to incorporate by reference the aforementioned reports in this Base Prospectus. Ernst & Young Accountants LLP is located in Amsterdam at Cross Towers, Antonio Vivaldistraat 150 (1083 HP), the Netherlands. The auditors of Ernst & Young Accountants LLP are members of the Royal NBA (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*), The Netherlands Institute of Chartered Accountants.

**Post-issuance information**

Unless specified otherwise in the Final Terms, the Issuer does not intend to provide post-issuance information.

**Method of determining the price and the process for its disclosure**

The price and amount of Notes will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions. The Issue Price will be disclosed in the Final Terms.

**Yield**

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.



**THE ISSUER**

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*To the Dealers*

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## ARRANGER

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