

RBS Capital Funding Trust V

(formerly ABN AMRO Capital Funding Trust V)

Management Report and
Financial Statements as of and for the
Years Ended December 31, 2009 and 2008, and
Independent Auditors' Report

RBS CAPITAL FUNDING TRUST V

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MANAGEMENT REPORT

Financial position and performance

RBS Capital Funding Trust V (the “Trust”) (formerly ABN AMRO Capital Funding Trust V) reported an unrealized loss on available for sale securities of \$771,000,000, primarily the result of an unrealized loss on its investment in RBS Capital Funding LLC V (“Funding LLC”) (formerly ABN AMRO Capital Funding LLC V) preferred securities (“LLC Securities”). Net income of the Trust is nil.

In the ordinary course of business, the Trust has transactions with affiliates. The material risks of the Trust are the risk of non-payment of the quarterly distributions and principal upon redemption of the LLC Securities from Funding LLC or the non-payment on the guarantee from RBS Holdings N.V. (“Holding”) formerly ABN AMRO Holding N.V.). The Trust relies on payments made to it by Funding LLC. Funding LLC relies on payments made to it by RBS N.V. (the “Bank”) under the initial intercompany securities and Holding’s ability to pay its obligations under the guarantee. Holding’s obligations under the guarantee and the ability of the Funding LLC’s board of directors to declare distributions with respect to the LLC Securities will be junior in right of payment to all of the existing and future senior debt. Holding has disclosed their principal risks as part of their December 31, 2009 published annual report.

Upon the redemption of the LLC Securities, the proceeds from such repayment will simultaneously be applied to redeem a corresponding number of Trust Preferred Securities at the redemption price of \$25 per security.

In 2009, the Trust employed no staff.

Outlook

The Trust is a wholly owned subsidiary of RBS Wholesale Holdings Company, a wholly owned subsidiary of RBS WCS Holdings Company (“WCS Holdings”). WCS Holdings is a wholly owned subsidiary of the Bank which is a wholly owned subsidiary of Holding. Holding is a wholly owned subsidiary of RFS Holdings B.V. (“RFS”). The Trust is economically and financially dependent on WCS Holdings, the Bank and Holding.

In October 2007, Holding was acquired by RFS. RFS was formed by Fortis Bank Nederland N.V. (“Fortis”), The Royal Bank of Scotland Group plc (“RBS”) and an affiliate of Banco Santander, S.A. (“Santander”) to acquire all of the issued and outstanding ordinary shares and all of the issued and outstanding American depository shares of Holding. RFS is a subsidiary of RBS and was consolidated by RBS for the year ended December 31, 2009. On October 3, 2008, the State of the Netherlands (“Dutch State”) acquired Fortis, including the interest in RFS that represents the acquired activities of ABN AMRO, and effectively became the successor of Fortis in this acquisition.

On December 1, 2008, the United Kingdom (“UK”) Government through its Treasury Department became the ultimate majority shareholder of RBS. The UK Government’s shareholding is managed by UK Financial Investment Limited, a company wholly owned by the UK Government. On February 6, 2010, ABN AMRO successfully executed the deed of demerger, thereby demerging the majority of the Dutch State acquired businesses. On this same date, ABN AMRO Bank N.V. was renamed to RBS N.V. The legal entity from

which the Dutch acquired businesses were demerged was also renamed, from ABN AMRO Bank II N.V. to ABN AMRO Bank N.V.

On April 1, 2010, RBS N.V. completed the legal separation of ABN AMRO Bank N.V. RBS N.V. continues to be owned by RBS Holdings N.V., with the Trust remaining within RBS.

The management of the Trust will not issue any statements regarding expected future results.

Management Disclosure

Recently the European Transparency Directive has been implemented in the Netherlands as part of the Act on Financial Supervision (Wet op het Financieel Toezicht (“WFT”). In accordance with the WFT, we declare that, to the best of our knowledge:

1. the financial statements give a true and fair view, in all material respects, of the assets, liabilities, financial position and profit and loss of the Trust;
2. the report gives a true and fair view, in all material respects, of the Trust and its related entities as per December 31, 2009 and their state of affairs during 2009; and
3. the report describes the material risks that the Trust is facing.

Michiel van Schaardenburg, President

Jason Hauf, Managing Director

April 29, 2010

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INDEPENDENT AUDITORS' REPORT

To the Officers of
RBS Capital Funding Trust V:

We have audited the accompanying statements of financial condition of RBS Capital Funding Trust V (the "Trust") (formerly ABN AMRO Capital Funding Trust V), as of December 31, 2009 and 2008 and the related statements of operations, changes in stockholder's equity, and cash flows for the years then ended. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of RBS Capital Funding Trust V at December 31, 2009 and 2008, and the results of its operations, changes in its stockholder's equity and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP

April 29, 2010

RBS CAPITAL FUNDING TRUST V

STATEMENTS OF FINANCIAL CONDITION

DECEMBER 31, 2009 and 2008

(In thousands except for share information)

	2009	2008
ASSETS		
CASH	\$ 1	\$ -
INVESTMENT SECURITIES		
Available-for-sale (cost \$1,285,000)	514,000	542,784
RECEIVABLE FROM AFFILIATE	<u>-</u>	<u>1</u>
TOTAL ASSETS	<u>\$ 514,001</u>	<u>\$ 542,785</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
LIABILITIES:		
Trust securities	<u>\$ 1,285,000</u>	<u>\$ 1,285,000</u>
Total liabilities	1,285,000	1,285,000
STOCKHOLDER'S EQUITY:		
Common stock, \$25 par value — authorized, issued and outstanding 40 shares	1	1
Accumulated other comprehensive income	<u>(771,000)</u>	<u>(742,216)</u>
Total stockholder's equity	<u>(770,999)</u>	<u>(742,215)</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 514,001</u>	<u>\$ 542,785</u>

See notes to financial statements.

RBS CAPITAL FUNDING TRUST V

STATEMENTS OF OPERATIONS YEARS ENDED DECEMBER 31, 2009 and 2008 (In thousands)

	2009	2008
INTEREST INCOME	\$ 75,815	\$ 75,815
INTEREST EXPENSE	<u>(75,815)</u>	<u>(75,815)</u>
NET INCOME	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

RBS CAPITAL FUNDING TRUST V

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY YEARS ENDED DECEMBER 31, 2009 and 2008 (In thousands)

	Common Stock	Accumulated Other Comprehensive Income	Total
BALANCE — January 1, 2008	\$ 1	\$ (352,090)	\$ (352,089)
Unrealized loss on available-for-sale securities	<u>-</u>	<u>(390,126)</u>	<u>(390,126)</u>
BALANCE — December 31, 2008	1	(742,216)	(742,215)
Unrealized loss on available-for-sale securities	<u>-</u>	<u>(28,784)</u>	<u>(28,784)</u>
BALANCE — December 31, 2009	<u>\$ 1</u>	<u>\$ (771,000)</u>	<u>\$ (770,999)</u>

See notes to financial statements.

RBS CAPITAL FUNDING TRUST V

STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2009 and 2008 (In thousands)

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ -	\$ -
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Change in receivable from affiliate	<u>1</u>	<u>-</u>
Net cash provided by operating activities	<u>1</u>	<u>-</u>
CASH — Beginning of year	<u>-</u>	<u>-</u>
CASH — End of year	<u>\$ 1</u>	<u>\$ -</u>
Interest paid	<u>\$ 75,815</u>	<u>\$ 75,815</u>

See notes to financial statements.

RBS CAPITAL FUNDING TRUST V

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(Amounts in thousands unless otherwise noted)

1. ORGANIZATION AND NATURE OF OPERATIONS

RBS Capital Funding Trust V (the “Trust”) (formerly ABN AMRO Capital Funding Trust V) is a wholly owned subsidiary of RBS Wholesale Holdings Company (the “Parent”) (formerly ABN AMRO Wholesale Holdings Company). The Parent owns 100% of the outstanding common shares of the Trust. The Parent is a wholly owned subsidiary of RBS WCS Holdings Company (“WCS Holdings”) (formerly ABN AMRO WCS Holdings Company). WCS Holdings is a wholly owned subsidiary of RBS N.V. (the “Bank”) (formerly ABN AMRO Bank N.V.), which is a wholly owned subsidiary of RBS Holdings N.V. (“Holding”) (formerly ABN AMRO Holding N.V.). Holding is a wholly owned subsidiary of RFS Holdings B.V. (“RFS”). The Trust is economically and financially dependent on WCS Holdings, the Bank and Holding.

In October 2007, Holding was acquired by RFS. RFS was formed by Fortis Bank Nederland N.V. (“Fortis”), The Royal Bank of Scotland Group plc (“RBS”) and an affiliate of Banco Santander, S.A. (“Santander”) to acquire all of the issued and outstanding ordinary shares and all of the issued and outstanding American depository shares of Holding. RFS is a subsidiary of RBS and was consolidated by RBS for the years ended December 31, 2009 and 2008. On October 3, 2008, the State of the Netherlands (“Dutch State”) acquired Fortis, including the interest in RFS that represents the acquired activities of ABN AMRO, and effectively became the successor of Fortis in this acquisition.

On December 1, 2008, the United Kingdom (“UK”) Government through its Treasury Department became the ultimate majority shareholder of RBS. The UK Government’s shareholding is managed by UK Financial Investment Limited, a company wholly owned by the UK Government. On February 6, 2010, ABN AMRO successfully executed the deed of demerger, thereby demerging the majority of the Dutch State acquired businesses. On this same date, ABN AMRO Bank N.V. was renamed to Royal Bank of Scotland N.V. (“RBS N.V.”). The legal entity from which the Dutch acquired businesses were demerged was also renamed, from ABN AMRO Bank II N.V. to ABN AMRO Bank N.V.

On April 1, 2010, RBS N.V. completed the legal separation of ABN AMRO Bank N.V. RBS N.V. continues to be owned by RBS Holdings N.V., with the Trust remaining within RBS.

The Trust, a statutory trust, was formed under the Statutory Trust Act pursuant to the Amended and Restated Trust Agreement dated as of July 3, 2003 (the “Trust Agreement”), and as amended on September 27, 2007, and a Certificate of Trust filed with the Secretary of State of the State of Delaware on April 1, 2003 for the sole purpose of issuing and selling its preferred securities (the “Trust Securities”), which represent an undivided beneficial interest in assets of the Trust and investing the proceeds thereof in the RBS Capital Funding LLC V (“Funding LLC”) (formerly ABN AMRO Capital Funding LLC V) preferred securities (the “LLC Securities”). Funding LLC used the proceeds from the issuance of the LLC Securities to invest in “Initial Intercompany Securities” issued by the Bank. Distributions, redemption and liquidation payments paid by the Funding LLC on the LLC Securities will pass through the Trust to pay distributions, redemption and liquidation

payments on the Trust Securities. The Trust Securities are listed and traded on the NYSE Euronext Amsterdam. The Bank of New York Mellon Trust Company, N.A., a Delaware Trustee, (“Trustee”) is the Trustee, Registrar, Property Trustee, and Paying Agent.

In the ordinary course of business, the Trust has transactions with affiliates. The Trust defines affiliates as wholly owned subsidiaries or branches of the Bank and Holding unless otherwise indicated in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Use of Estimates — The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions regarding the fair value of the investment securities that affect the amounts reported in the financial statements and accompanying disclosures. These estimates and assumptions are based on management’s judgment and available information. Actual results could differ from those estimates.

The Trust’s policy is to consolidate all entities in which it owns more than 50% of the outstanding voting stock unless it does not control the entity. However, the Trust did not have a controlling financial interest in any entity in the periods presented in the accompanying financial statements. Further, the Trust consolidates any variable interest entity for which the Trust is the primary beneficiary. However, the Trust has determined that it was not the primary beneficiary of any variable interest entity, in the periods presented in the accompanying financial statements.

Investment Securities —The securities are classified as debt securities as they represent a preferred ownership interest in Funding LLC and by their terms must be redeemed by Funding LLC. The LLC Securities are classified as available-for-sale securities and reported at fair value with unrealized gains and losses reported as a component of accumulated other comprehensive income included in stockholder’s equity. An impairment is deemed other-than-temporary unless management has the ability and intent to hold an investment for a reasonable period of time sufficient for a forecasted recovery of the securities’ fair value up to or beyond the cost of the security.

Interest income is accrued daily based on the fixed and stated coupon rate on the investment securities.

Fair Value Measurement — The Trust’s available-for-sale investment securities are recorded at fair value on the Trust’s statements of financial condition.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access at the measurement date.

- Level 2 inputs (other than quoted prices included within Level 1) are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability. Unobservable inputs reflect managements' own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The Trust's investment securities are classified as Level 2 at December 31, 2009 and 2008. The fair value of the investment securities was derived from the quoted price of a similar exchange-traded security.

Trust Securities —The Trust Securities are classified as a liability as the Trust Securities are mandatorily redeemable financial instruments with a redemption price equal to \$25 per security.

Interest expense is accrued daily based on the fixed and stated coupon rate on the Trust Securities and paid quarterly on the last day of March, June, September and December.

Federal Income Taxes —The Trust is a grantor trust for United States federal income tax purposes. As such, the Trust is considered a pass through entity and is not subject to federal or state income taxes.

3. RECENT ACCOUNTING PRONOUNCEMENTS

Codification

On September 15, 2009, the Financial Accounting Standards Board ("FASB") enacted Statement of Financial Accounting Standards ("SFAS") No. 168 ("SFAS 168"), "The FASB Accounting Standards CodificationTM and the Hierarchy of Generally Accepted Accounting Principles". This statement establishes the FASB Accounting Standards CodificationTM (the "Codification") as the single source of authoritative GAAP in the United States. The topically-organized codification is not intended to change GAAP but it significantly changes the way that GAAP is presented and referenced in financial statements.

SFAS 168 also changes the way in which new authoritative GAAP is issued. The Financial Accounting Standards, FASB Interpretations, and Emerging Issues Task Force ("EITF") abstracts were replaced by Accounting Standard Updates ("ASU"), which provide updates to the Codification, background information on about the new guidance and the basis for conclusions. New pronouncements issued before July 1, 2009 are referred to by their original title.

FSP 115-2 and FAS 124-2

In April 2009, the FASB issued FASB Staff Position ("FSP") FAS No. 115-2 and FAS No. 124-2 "Recognition and Presentation of Other-Than-Temporary Impairments" ("FSP FAS No. 115-2 and FAS No. 124-2") which change the method for determining whether an other-than-temporary impairment ("OTTI") exists for debt securities and the amount of OTTI charges recorded in earnings. If an entity intends to sell a security and it is more-likely-than-not that the entity will sell the security prior to recovering its cost basis, an OTTI exists and the entire difference between the fair value and the cost basis will be reflected in earnings. If an entity does not intend to sell a security and it is more-likely-than-not that the entity will sell the security prior to recovering its cost basis, the portion of the difference between the fair value and the cost basis related to credit losses will be treated as an OTTI and reflected in earnings. The remaining difference will be recognized as part of other comprehensive income. In addition to the new OTTI determination method, entities are

required to provide enhanced disclosures, including methodology details and key inputs used for determining the amount of credit losses recorded in earnings. FSP FAS No. 115-2 and FAS No. 124-2 were effective upon issuance and incorporated in the initial release of the Codification under the topic on Investments in Debt and Equity Securities. The adoption of FSP FAS No. 115-2 and FAS No. 124-2 did not materially affect the Trust's financial statements.

FAS 157-4

In April 2009, the FASB issued FSP FAS No. 157-4 "Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly" ("FSP FAS No. 157-4") which provides additional guidance to determine the fair value of a financial instrument in an inactive market. If the market for a financial instrument is inactive and it is determined that one or more quoted prices are associated with one or more distressed transactions, the reporting entity may use valuation methods other than one that uses quoted prices without significant adjustment. Otherwise, the quoted price is viewed as a valid quote and should be used as a relevant input to the fair value. FSP FAS No. 157-4 was effective upon issuance. The adoption of FSP FAS No. 157-4 did not materially impact the Trust's financial statements.

FAS 165

In May 2009, the FASB issued SFAS No. 165 "Subsequent Events," ("SFAS 165") which establishes standards to account for and disclose events that occur after balance sheet date but before the financial statements are issued. The statement specifies that an entity must disclose all subsequent events that provide additional evidence about conditions that existed at the balance sheet date, including any estimates that were inherent in the process of preparing the financial statements. The statement also specifies that an entity must disclose the date through which subsequent events were evaluated. This statement was effective upon issuance. The adoption of SFAS 165 did not materially impact the Trust's financial statements.

FAS 166 & 167

In June 2009, the FASB issued SFAS No. 166 "Accounting for Transfers of Financial Assets – an Amendment of FASB Statement No. 140" ("SFAS 166") and SFAS No. 167 "Amendments to FASB Interpretation No. 46(R)" ("SFAS 167") that amend the accounting requirements for securitizations and, specifically those utilizing Qualifying Special Purpose Entities ("QSPEs"). SFAS 166 retains the legal isolation criteria for sale accounting but eliminates the QSPE concept, and transfers of participations are now limited to only pro-rata participations. Under SFAS 167 amendments, all variable interest entities ("VIEs"), including former QSPEs, need to be considered for consolidation, and an increased number of circumstances will trigger reconsideration of VIE status. The method for determining the Primary Beneficiary of a VIE has been changed from a quantitative model to a qualitative model which focuses on the power to direct the activities of the VIE. SFAS 166 and SFAS 167 also require enhanced disclosures about transfers of financial assets and interests in variable interest entities. Both statements are effective for reporting periods beginning after November 15, 2009. The adoption of SFAS 166 and SFAS 167 will not materially impact the Trust's financial statements.

ASU No. 2005-05

In August 2009, the FASB issued ASU No. 2009-05, "Fair Value Measurements and Disclosures – Measuring Liabilities at Fair Value." ASU No. 2009-05 provides guidance in measuring liabilities when a quoted price in an active market for an identical liability is not available and clarifies that a reporting entity should not make an adjustment to fair value for a restriction that prevents the

transfer of the liability. ASU No. 2009-05 is effective for financial statements issued for the first reporting period beginning after issuance of the ASU. Because the Trust's current fair value measurement policies are consistent with ASU No. 2009-5, adoption will not affect the Trust's financial condition, results of operations or cash flows.

ASU No. 2010-06

In January 2010, the FASB issued ASU No. 2010-06, "Improving Disclosures about Fair Value Measurements", which increases disclosure regarding the fair value of assets. The key provisions of this guidance include the requirement to disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 including a description of the reason for the transfers. Previously this was only required of transfers between Level 2 and Level 3 assets. Further, reporting entities are required to provide fair value measurement disclosures for each class of assets and liabilities; a class is potentially a subset of the assets or liabilities within a line item in the statement of financial condition. Additionally, disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements are required for either Level 2 or Level 3 assets. This portion of the guidance is effective for annual reporting periods beginning after December 15, 2009. The guidance also requires that the disclosure on any Level 3 assets presents separately information about purchases, sales, issuances and settlements. However, this last portion of the guidance is effective for fiscal years beginning after December 15, 2010. The Trust's adoption of ASU No. 2010-06 will result in enhanced disclosures. The Trust does not expect the adoption will impact the financial condition, results of operations, or cash flows.

4. INVESTMENT SECURITIES

A comparison of the cost and fair value of the available-for-sale securities at December 31, 2009 and 2008, respectively, is as follows:

	Available-for-Sale		
	Cost	Cumulative Unrealized Losses	Fair Value
December 31, 2009			
Investment Securities	<u>\$ 1,285,000</u>	<u>\$ (771,000)</u>	<u>\$ 514,000</u>
	Available-for-Sale		
	Cost	Cumulative Unrealized Losses	Fair Value
December 31, 2008			
Investment Securities	<u>\$ 1,285,000</u>	<u>\$ (742,216)</u>	<u>\$ 542,784</u>

The cumulative unrealized losses for the investment securities have been in a continuous unrealized loss position for greater than twelve months. The unrealized losses on the Trust's investments securities are considered to be temporary as the Trust has the ability and intent to hold these investments until a recovery of fair value occurs, which may be upon redemption, and the redemption of such investment securities, at cost, is guaranteed by Holding.

The investment securities are LLC Securities, issued by Funding LLC, that receive quarterly interest payments in arrears, when deemed declared by the Funding LLC's board of directors, at an annual rate of 5.90%. As of December 31, 2009 and 2008, interest payments have been received at each

quarter-end. The LLC Securities will be redeemable, at the option of the Funding LLC and with prior approval of Holding and the Dutch Central Bank, in whole or in part, on July 3, 2008 and at any time thereafter at the redemption price of \$25 per security. The LLC Securities are also redeemable at the redemption price of \$25 per security if a LLC Special Redemption Event occurs. A LLC Special Redemption Event would occur when the Dutch Central Bank notifies Holdings that the LLC Securities may not be included in the Tier 1 Capital of Holding, if there is insubstantial risk that the LLC would be considered an “investment company” under the 1940 Act, or there is insubstantial risk that the Funding LLC will be subject to taxes due to a change in tax law.

5. TRUST SECURITIES

A total of 51.4 million Trust Securities were issued and are outstanding at December 31, 2009 and 2008, with an initial price of \$25 per security (the liquidation preference), representing a total value of \$1.285 billion. The Trust Securities are non-cumulative and pay interest quarterly on the last day of March, June, September and December of each year, commencing in September 2003, at an annual rate of 5.90%. Interest payments on the Trust Securities will be made to the extent that the Trust has funds available for the payment of interest. Interest is paid through the property trustee who holds the interest received in respect to the LLC Securities for the benefit of the holders of the Trust Securities. Amounts available to the Trust for payment to the holders of the Trust Securities are limited to payments received by the Trust from LLC Funding or from Holding. Upon the redemption of the LLC Securities, the proceeds from such repayment will simultaneously be applied to redeem a corresponding number of Trust Securities at the redemption price of \$25 per security.

The Trust Securities are traded on the NYSE Euronext Amsterdam and have readily determinable fair values. The cost and fair value of the Trust Securities as of December 31, 2009 and 2008 are as follows:

December 31, 2009	Cost	Fair Value
Trust Securities	<u>\$ 1,285,000</u>	<u>\$ 514,000</u>
December 31, 2008	Cost	Fair Value
Trust Securities	<u>\$ 1,285,000</u>	<u>\$ 542,784</u>

Upon the occurrence of a Regulatory Event, the Trust Securities will be exchanged for perpetual, non-cumulative “Capital Securities” of the Bank, having equivalent liquidation preference, rights and restrictions in all material respects to the rights and restrictions of the Trust Securities. A Regulatory Event is when the Bank is notified by the Dutch Central Bank that the Bank’s capital adequacy ratio would, after payment of the interest payment on the Initial Intercompany Securities, be less than the minimum capital adequacy requirements.

6. GUARANTEES

Holding irrevocably and unconditionally guarantees, on a subordinated basis, the distribution, redemption and liquidation payment obligations under the LLC Securities, the Trust Securities and the Capital Securities.

7. SERVICING AGREEMENT

Pursuant to the Services Agreement, dated July 3, 2003 (and further amended on September 27, 2007), WCS Holdings, in its capacity as “Advisor”, renders various services to the Trust. Under the Services Agreement, the Advisor pays all of the Operating Expenses of the Trust. The services that are provided, but not limited to, are to administer the day-to-day operations and provide administrative, accounting and security holder relations. The Trust does not pay a service fee to WCS Holdings nor are such servicing costs allocated to the Trust or the holders of the Trust Securities.

8. SUBSEQUENT EVENTS

As of December 31, 2009, management has evaluated the possibility of subsequent events existing in the Trust’s financial statements through April 29, 2010, the date which the financial statements were available for issuance. Management has determined that there are no material events that would require disclosure in the Trust’s financial statements through this date.

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