

ABN AMRO BANK N.V.

(incorporated with limited liability in The Netherlands with its statutory seat in Amsterdam and registered in the Commercial Register of the Chamber of Commerce under number 34334259)

€1,000,000,000 Undated Deeply Subordinated Additional Tier 1 Fixed Rate Resetable Callable Capital Securities

Issue Price 100 per cent

€1,000,000,000 Undated Deeply Subordinated Additional Tier 1 Fixed Rate Resetable Callable Capital Securities (the "**Capital Securities**") will be issued by ABN AMRO Bank N.V. (the "**Issuer**"). The issue price of the Capital Securities is 100 per cent of their Original Principal Amount (as defined in Condition 19 (*Definitions*) in "*Terms and Conditions of the Capital Securities*" below). The Capital Securities will constitute unsecured and deeply subordinated obligations of the Issuer, ranking *pari passu* without any preference among themselves, as described in Condition 2 (*Status of the Capital Securities*) in "*Terms and Conditions of the Capital Securities*" below.

The Capital Securities will bear interest on their Prevailing Principal Amount (as defined in Condition 19 (*Definitions*) in "*Terms and Conditions of the Capital Securities*" below), payable (subject to cancellation as described below) semi-annually in arrear on 22 March and 22 September in each year (each an "**Interest Payment Date**"), from (and including) 22 September 2015 (the "**Issue Date**") to (but excluding) 22 September 2020 (the "**First Call Date**") at the fixed rate of 5.750 per cent per annum. The rate of interest will reset on the First Call Date and on each fifth anniversary thereafter (each a "**Reset Date**"). The Issuer may, in its sole discretion, elect to cancel the payment of interest on the Capital Securities (in whole or in part), and it will be required to cancel the payment of interest on the Capital Securities to the extent that the Distributable Items are, or the Maximum Distributable Amount is, insufficient. As a result, holders of Capital Securities ("**Holders**") may not receive interest on any Interest Payment Date. Interest that is cancelled will not be due on any subsequent date, and the non-payment will not constitute a default by the Issuer. See Condition 3 (*Interest and interest cancellation*) in "*Terms and Conditions of the Capital Securities*" below.

The Prevailing Principal Amount of the Capital Securities will be written down if as of any Quarterly Financial Period End Date or an Anytime Calculation Date (i) the Issuer CET1 Ratio falls or remains below 5.125 per cent and/or (ii) the Group CET1 Ratio falls or remains below 7 per cent (all as defined in Condition 19 (*Definitions*) in "*Terms and Conditions of the Capital Securities*" below). Holders may lose some or substantially all of their investment in the Capital Securities as a result of such a write-down. Following such reduction, the Prevailing Principal Amount may, at the Issuer's discretion, be written-up to the Original Principal Amount if certain conditions are met. See Condition 7 (*Principal Write-down and Principal Write-up*) in "*Terms and Conditions of the Capital Securities*" below. In addition, the relevant Resolution Authority may be entitled to write down the Capital Securities in accordance with its statutory powers (see Condition 8 (*Statutory Loss Absorption*) in "*Terms and Conditions of the Capital Securities*" below).

The Capital Securities have no fixed maturity and Holders do not have the right to call for their redemption. As a result, the Issuer is not required to make any payment of the principal amount of the Capital Securities at any time prior to its winding-up or insolvency. The Issuer may, at its option, redeem all, but not some only, of the Capital Securities on the First Call Date or any anniversary thereafter at their Prevailing Principal Amount plus accrued and unpaid interest (see Condition 5 (*Redemption and Purchase*) in "*Terms and Conditions of the Capital Securities*" below). The Issuer may also, at its option, redeem all, but not some only, of the Capital Securities at any time at their Prevailing Principal Amount plus accrued and unpaid interest (if any) upon the occurrence of a Tax Event or a Capital Event (each as defined in Condition 19 (*Definitions*) in "*Terms and Conditions of the Capital Securities*" below). Any optional redemption of Capital Securities by the Issuer will be subject to the general conditions to redemption as set out in Condition 5.6 (*Conditions for Redemption and Purchase*) in "*Terms and Conditions of the Capital Securities*" below. If a Tax Event, a CRD IV Capital Event or a Capital Event has occurred and is continuing, the Issuer may substitute all of the Capital Securities or vary the terms of all of the Capital Securities, without the consent or approval of Holders provided that they become or remain compliant with applicable regulatory capital rules.

An investment in Capital Securities involves certain risks. Investors should ensure that they understand the nature of the Capital Securities and the extent of their exposure to risks and they should review and consider these risks carefully before purchasing any Capital Securities. In particular, investors should review and consider the risk factors relating to a Write-down and the impact this may have on their investment. For a discussion of these risks see "Risk Factors" beginning on page 1.

This Prospectus has been approved by the Netherlands Authority for the Financial Markets (the "**AFM**") in its capacity as competent authority under the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the "**Wft**") for the purposes of Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area (the "**Prospectus Directive**"). Application has been made to Euronext Amsterdam N.V. for the Capital Securities to be listed on Euronext Amsterdam ("**Euronext Amsterdam**"). References in this Prospectus to the Capital Securities being "listed" (and all related references) shall mean that the Capital Securities have been listed and admitted to trading on Euronext Amsterdam. Euronext Amsterdam is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

The Capital Securities will be in bearer form and in denominations of €200,000 and integral multiples of €100,000 in excess thereof up to (and including) €300,000. The Capital Securities will initially be represented by a temporary global capital security (the "**Temporary Global Capital Security**"), which will be deposited with a common safekeeper for Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear Bank SA/NV ("**Euroclear**") on the Issue Date. The Temporary Global Capital Security will be exchangeable for interests in a permanent global capital security (the "**Permanent Global Capital Security**", together with the Temporary Global Capital Security, the "**Global Capital Securities**") not earlier than 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership. The Permanent Global Capital Security will be exchangeable for Capital Securities in definitive form (the "**Definitive Capital Securities**") in the limited circumstances set out therein, see "*Form of the Capital Securities*" below.

The Capital Securities are expected to be rated BB by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies Inc ("**Standard & Poor's**") and BB+ by Fitch Ratings Ltd. ("**Fitch**"). Each of Standard & Poor's and Fitch is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). A 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 Capital Securities have not been registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"). Subject to certain exceptions, the Capital Securities may not be offered or sold 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 ("**Regulation S**"). See "*Subscription and Sale*" below).

The Capital Securities are not intended to be sold and should not be sold to retail clients in the European Economic Area ("EEA"), as defined in the MR Rules (as defined below) other than in circumstances that do not and will not give rise to a contravention of those rules by any person. Prospective investors are referred to the section headed "Restrictions on marketing and sales to retail investors" on page v of this Prospectus for further information.

Joint Bookrunners

ABN AMRO

Citigroup

Goldman Sachs International

HSBC

Morgan Stanley

UBS Investment Bank

Co-Lead Managers

Commerzbank

Natixis

Société Générale

Corporate & Investment Banking

The contents of this Prospectus are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters and prospective investors are recommended to consult their own professional advisers for any advice concerning the acquisition, holding or disposal of any Capital Securities.

Before making an investment decision with respect to any Capital Securities, prospective investors should carefully consider all of the information set out in this Prospectus and any accompanying documents, as well as their own personal circumstances. Prospective investors should have regard to, among other matters, the considerations described under the section headed "Risk Factors" in this Prospectus. This Prospectus does not describe all of the risks of an investment in the Capital Securities.

An investment in the Capital Securities is only suitable for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

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

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

This Prospectus comprises a prospectus for the purposes of article 5.3 of the Prospectus Directive and has been approved for the purpose of listing the Capital Securities on Euronext Amsterdam. This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Managers (as defined in "*Subscription and Sale*" below) to subscribe or purchase, any of the Capital Securities. The distribution of this Prospectus and the offering of the Capital Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus or any Capital Securities come are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions.

Neither the Issuer nor any of the Managers represent that this Prospectus may be lawfully distributed, or that any Capital Securities 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 or any of the Managers which is intended to permit a public offering of any Capital Securities or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Capital Securities may be offered or sold, directly or indirectly, and neither this 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 any applicable laws and regulations.

For a description of further restrictions on offers and sales of Capital Securities and distribution of this Prospectus, see "*Subscription and Sale*" below. In particular, the Capital Securities have not been, and will not be, registered under the Securities Act and are subject to United States tax law requirements. The Capital Securities are being offered outside the United States by the Managers in accordance with Regulation S, and may not be offered, sold or delivered within the United States or to, or for the account 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.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus or any document incorporated by reference herein, or any other information supplied in connection with the Capital Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any Manager.

Neither this Prospectus nor any other information supplied in connection with the Capital Securities (i) is intended to provide the basis of any credit or other valuation or (ii) should be considered as a recommendation or a statement of opinion by the Issuer or any Manager that any recipient of this Prospectus or any other information supplied in connection with the Capital Securities should purchase any Capital Securities. Accordingly, no representation, warranty or undertaking, express or implied, is made by any Manager in its capacity as such. Each investor contemplating purchasing any Capital Securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

Neither the Managers nor any of their respective affiliates have authorised the whole or any part of this Prospectus or have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Managers or any of their respective affiliates as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Issuer in connection with the offering of the Capital Securities. No Manager or any of their respective affiliates accepts any liability in relation to the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer in connection with the offering of the Capital Securities or their distribution.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Capital Securities shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Capital Securities is correct as of any time subsequent to the date indicated in the document containing the same.

References to "**euro**", "**EUR**" and "**€**" refer to the lawful currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community as amended by the Treaty on European Union.

Words and expressions defined in Condition 19 (*Definitions*) of the Terms and Conditions of the Capital Securities shall have the same meanings ascribed to them in Condition 19 (*Definitions*) when used in other parts of this Prospectus.

In connection with the issue of the Capital Securities, Morgan Stanley & Co. International plc (the "**Stabilising Manager**") (or any person acting on behalf of any Stabilising Manager) may over-allot Capital Securities or effect transactions with a view to supporting the market price of the Capital Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Capital Securities 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 issue date of the Capital Securities and 60 days after the date of the allotment of the Capital Securities. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

Restrictions on marketing and sales to retail investors

The Capital Securities discussed in this Prospectus are complex financial instruments and are not a suitable or appropriate investment for all investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Capital Securities to retail investors.

In particular, in August 2014, the U.K. Financial Conduct Authority (the "**FCA**") published the Temporary Marketing Restriction (Contingent Convertible Securities) Instrument 2014 (the "**TMR**"), which took effect on 1 October 2014, and, in June 2015, published the Product Intervention (Contingent Convertible Instruments and Mutual Society Shares) Instrument 2015, which will replace the TMR from 1 October 2015 (together, the "**PI**").

Under the rules set out in the TMR (as amended or replaced from time to time, the "**TMR Rules**") and in the PI (as amended or replaced from time to time, the "**PI Rules**" and, together with the TMR Rules, the "**MR Rules**"), (i) certain contingent write-down or convertible securities (including any beneficial interests therein), such as the Capital Securities, must not be sold to retail clients in the EEA and (ii)(a) until 1 October 2015, nothing may be done that would or might result in the buying of such securities (or the holding of a beneficial interest in such securities) by a retail client in the EEA (in each case within the meaning of the TMR Rules), or (b) from 1 October 2015, there must not be a communication or approval of an invitation or inducement to participate in, acquire or underwrite such securities (or the beneficial interest in such securities) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the EEA (in each case, within the meaning of the PI Rules), other than in accordance with the limited exemptions set out in the applicable MR Rules.

The Managers are required to comply with the applicable MR Rules. By purchasing, or making or accepting an offer to purchase, any Capital Securities (or a beneficial interest in such securities) from the Issuer and/or the Managers, each prospective investor represents, warrants, agrees with and undertakes to the Issuer and each of the Managers that:

- (i) it is not a retail client in the EEA (as defined in the applicable MR Rules);
- (ii) whether or not it is subject to the TMR Rules, it will not (A) sell or offer the Capital Securities (or any beneficial interest in such securities) to retail clients in the EEA or (B) either (x) up until 1 October 2015, do anything (including the distribution of this Prospectus) that would or might result in the buying of the Capital Securities or the holding of a beneficial interest in the Capital Securities by a retail client in the EEA (in each case within the meaning of the TMR Rules) or (y) from 1 October 2015, communicate (including the distribution of this Prospectus or approve an invitation or inducement to participate in, acquire or underwrite the Capital Securities (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the EEA (in each case within the meaning of the PI Rules), other than (i) in relation to any sale or offer to sell Capital Securities (or any beneficial interests therein) to a retail client in or resident in the United Kingdom, in circumstances that do not and will not give rise to a contravention of the applicable MR Rules by any person and/or (ii) in relation to any sale or offer to sell Capital Securities (or any beneficial interest in such securities) to a retail client in any EEA member state other than the United Kingdom, where (a) it has conducted an assessment and concluded that the relevant retail client understands the risks of an investment in the Capital Securities and is able to bear the potential losses involved in an investment in the Capital Securities (or any beneficial interest in such securities) and (b) it has at all times acted in relation to such sale or offer in compliance with the Markets in Financial Instruments Directive (2004/39/EC) ("**MiFID**") to the extent it applies to it or, to the extent MiFID does not apply to it, in a manner which would be in compliance with MiFID if it were to apply to it; and
- (iii) it will at all times comply with all applicable laws, regulations and regulatory guidance (whether inside or outside the EEA) relating to the promotion, offering, distribution and/or sale of the Capital Securities (or any beneficial interest in such securities), including any such laws, regulations and regulatory guidance relating to determining the appropriateness and/or suitability of an investment in the Capital Securities (or any beneficial interest in such securities) by investors in any relevant jurisdiction.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Capital Securities (or any beneficial interest in such securities) from the Issuer and/or the Managers, the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

CONTENTS

	Page
Risk Factors	1
Overview	24
Documents Incorporated By Reference.....	35
Terms and Conditions of the Capital Securities	37
Form of the Capital Securities	65
Use of Proceeds	67
Additional Financial Information	68
Taxation.....	71
Subscription and Sale	75
General Information	77

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Capital Securities. All 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.

In addition, factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Capital Securities are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Capital Securities, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Capital Securities may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Capital Securities are exhaustive. Additional risks not currently known to the Issuer or that the Issuer now views as immaterial may also have a material adverse effect on the Issuer's future business, operating results, financial condition and affect an investment in Capital Securities. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

Before making an investment decision with respect to the Capital Securities, prospective investors should form their own opinions, 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 Capital Securities and consider such an investment decision in the light of the prospective investor's personal circumstances.

Words and expressions defined in the sections headed "Terms and Conditions of the Capital Securities" below shall have the same meaning in this section. References to "the Issuer" in this section are used as a reference to ABN AMRO Bank N.V. and its consolidated subsidiaries and the other group companies (including ABN AMRO Group N.V.).

Risks relating to the Issuer's business and industry

Each potential investor in the Capital Securities should refer to the Risk Factors section of the Registration Document for a description of those factors which may affect the Issuer's ability to fulfil its obligations under Capital Securities. See section "*Documents Incorporated by Reference*" below.

Risks related to the Capital Securities

The Capital Securities are complex instruments that may not be suitable for all investors

The Capital Securities may not be suitable for all investors. Each potential investor in the Capital Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor, either on its own or with the help of its financial and other professional advisers, should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Issuer and the Capital Securities, the merits and risks of investing in the Capital Securities and the information contained or incorporated by reference in this Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Capital Securities and the impact such investment 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 Capital Securities, including where the currency for payments in respect of the Capital Securities is different from the potential investor's currency and including the possibility that the entire principal amount of the Capital Securities could be lost;
- (iv) understand thoroughly the terms of the Capital Securities, including the provisions relating to the payment and cancellation of interest and any write-down of the Capital Securities, and be familiar with the behaviour of any relevant indices and the financial markets in which they participate; 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.

The Capital Securities are novel and complex financial instruments making it difficult to compare them with other similar financial instruments due to a lack of fully harmonised structures, trigger points and loss absorption. A potential investor should not invest in the Capital Securities unless it has the expertise (either alone or with a financial adviser) to evaluate how the Capital Securities will perform under changing conditions, the likelihood of a Principal Write-down, reaching the point of non-viability or cancellation of coupons (as discussed below in the risk factors "*A Holder may lose all of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption occurs*", "*The principal amount of the Capital Securities may be reduced (Written Down) to absorb losses*" and "*The Issuer may decide not to pay interest on the Capital Securities or be required not to pay such interest*"), the resulting effects on the value of the Capital Securities, and the impact of this investment on the potential investor's overall investment portfolio. These risks may be difficult to evaluate given their discretionary or unknown nature.

The Capital Securities constitute deeply subordinated obligations

The Capital Securities constitute unsecured and deeply subordinated obligations of the Issuer and will rank, subject to any rights or claims which are mandatorily preferred by law, (i) *pari passu* without any preference among themselves and with all other present and future Parity Obligations of the Issuer (including with respect to any other series of Additional Tier 1 instruments) and (ii) junior to the rights and claims of creditors in respect of all present and future Senior Obligations. As a result, in the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium (as defined in Condition 2 (*Status of the Capital Securities*)) with respect to the Issuer, any claims of the Holders against the Issuer will be subordinated to (a) the claims of depositors (other than in respect of those whose deposits are expressed by their terms to rank equally to or lower than the Capital Securities), (b) all unsubordinated rights and claims with respect to the repayment of borrowed money, (c) any other unsubordinated rights and claims and (d) all subordinated rights and claims (including with respect to any Tier 2 instruments) other than (i) Parity Obligations and (ii) Junior Obligations.

Before the occurrence of any event referred to above, holders of the Capital Securities may already have lost the whole or part of their investment in the Capital Securities as a result of a write-down of the principal amount of the Capital Securities following a Trigger Event and/or Statutory Loss Absorption (see the risk factors "*The principal amount of the Capital Securities may be reduced (Written Down) to absorb losses*" and "*A Holder may lose all of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption occurs*" below). In the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium with respect to the Issuer, payment of any remaining principal amount not so written down to a Holder will, by virtue of such subordination, only be made after, and any set-off by a Holder shall be excluded until, all obligations of the Issuer resulting from higher-ranking deposits, unsubordinated claims with respect to the repayment of borrowed money, other unsubordinated rights and claims and higher ranking subordinated claims have been satisfied in full. If any such event occurs, the Issuer may not have enough assets remaining after these payments to pay amounts due and payable under the Capital Securities. A Holder may therefore recover less than the holders of deposit liabilities or the holders of unsubordinated or other subordinated liabilities of the Issuer.

Although the Capital Securities may pay a higher rate of interest than comparable securities which are not subordinated, there is a real risk that an investor in deeply subordinated securities such as the Capital Securities will lose all or some of its investment should the Issuer become insolvent.

The Issuer is not prohibited from issuing further debt, which may rank pari passu with or senior to the Capital Securities

The Terms and Conditions of the Capital Securities do not limit the amount of liabilities ranking senior or *pari passu* in priority of payment to the Capital Securities which may be incurred or assumed by the Issuer from time to time, whether before or after the issue date of the Capital Securities nor do they restrict the Issuer in issuing Additional Tier 1 instruments with other write-down mechanisms or trigger levels or that convert into shares upon a trigger event. The Issuer may be able to incur significant additional secured or unsecured unsubordinated indebtedness and/or prior-ranking subordinated

indebtedness. If the Issuer becomes insolvent or is liquidated, or if payment under any secured or unsecured unsubordinated and/or prior-ranking subordinated debt obligations is accelerated, the Issuer's secured or unsecured unsubordinated or, as the case may be, prior-ranking subordinated lenders would be entitled to exercise the remedies available to a secured or unsecured unsubordinated and/or prior-ranking subordinated lender before the Holders.

Unsubordinated liabilities of the Issuer may also arise from events that are not reflected on the balance sheet of the Issuer, including, without limitation, insurance or reinsurance contracts, derivative contracts, the issuance of guarantees or the incurrence of other contingent liabilities on an unsubordinated basis. Claims made under such guarantees or such other contingent liabilities will become unsubordinated liabilities of the Issuer that in a winding-up or insolvency proceeding of the Issuer will need to be paid in full before the obligations under the Capital Securities may be satisfied.

As a result, the Capital Securities are subordinated to any secured or unsecured unsubordinated indebtedness and/or prior-ranking subordinated indebtedness that the Issuer may incur in the future. If any event referred to in the risk factor "*The Capital Securities constitute deeply subordinated obligations*" above were to occur, the Issuer may not have enough assets remaining after these payments to pay amounts due and payable under the Capital Securities and the Holders may therefore recover ratably less (if anything) than the lenders of the Issuer's secured or unsecured unsubordinated debt and/or prior-ranking subordinated debt in the event of the Issuer's bankruptcy or liquidation. Even if the claims of senior ranking creditors would be satisfied in full, Holders may still not be able to recover the full amount due because the proceeds of the remaining assets must be shared *pro rata* among all other creditors holding claims ranking *pari passu* with the claims of the Holders in respect of the Capital Securities.

Also, the incurrence of additional capital instruments with interest cancellation provisions similar to the Capital Securities may increase the likelihood of (partial) interest payment cancellations under the Capital Securities if the Issuer is not able to generate sufficient Distributable Items or to maintain adequate capital buffers to make interest payments falling due on all outstanding capital instruments of the Issuer in full. See the risk factor "*In certain circumstances, the Issuer may decide not to pay interest on the Capital Securities or be required not to pay such interest*" below.

If the Issuer's financial condition were to deteriorate, investors could suffer direct and materially adverse consequences, including suspension of interest and reduction of interest and principal and, if the Issuer were liquidated (whether voluntarily or involuntarily), investors could suffer loss of their entire investment.

In certain circumstances, the Issuer may decide not to pay interest on the Capital Securities or be required not to pay such interest

The Issuer may at any time elect, in its sole and absolute discretion, to cancel the payment of any interest in whole or in part at any time that it deems necessary or desirable and for any reason and without any restriction on the Issuer thereafter. The Issuer will be required to cancel the payment of all or some of the interest payments otherwise falling due on the Capital Securities in circumstances where the relevant interest payment would either cause the Distributable Items or, if certain capital buffers are not maintained and when aggregated together with other distributions of the kind referred to in article 3:62b Wft implementing article 141(2) of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "**CRD IV Directive**"), the relevant Maximum Distributable Amount to be exceeded, as described in Condition 3.2(b) (*Mandatory cancellation of interest*).

Distributable Items relate to the Issuer's profits and distributable reserves determined on the basis of ABN AMRO Bank N.V.'s non-consolidated accounts as further described in Condition 3.2(b) (*Mandatory cancellation of interest*). The amount of Distributable Items available to pay interest on the Capital Securities may be affected, *inter alia*, by other discretionary interest payments on other (existing or future) capital instruments, including Common Equity Tier 1 ("**CET1**") distributions. As at 30 June 2015, the Issuer's Distributable Items were approximately €14.5 billion.

The Maximum Distributable Amount is a novel concept which will apply in circumstances where the Issuer does not meet certain combined capital buffer requirements (see also below and in the risk factor "*CRD IV includes capital requirements that are in addition to the minimum regulatory Common Equity Tier 1 capital requirement. These additional capital requirements will restrict the Issuer from making*

interest payments on the Capital Securities in certain circumstances, in which case the Issuer will automatically cancel such interest payments").

Under article 141(2) (Restrictions on distributions) CRD IV Directive, member states of the European Union must require that institutions that fail to meet the combined buffer requirement (broadly, the combination of the capital conservation buffer, the institution-specific countercyclical capital buffer and the higher of (depending on the institution), the systemic risk buffer, the global systemically important institutions buffer and the other systemically important institutions buffer, in each case as applicable to the institution) will be subject to restricted discretionary payments (which are defined broadly by CRD IV as distributions in connection with CET1 capital, payments on Additional Tier 1 Capital instruments (including interest amounts on the Capital Securities) and payments of discretionary staff remuneration).

The combined buffer requirement and the associated restrictions under article 141(2) CRD IV Directive are scheduled to transition in from 1 January 2016 at a rate of 25% of such requirement per annum. In the event of a breach of the combined buffer requirement, the restrictions under article 141(2) CRD IV Directive will be scaled according to the extent of the breach of the combined buffer requirement and calculated as a percentage of the institution's profits. Such calculation will result in a maximum distributable amount or MDA in each relevant period.

MDA restrictions would need to be calculated for each separate level of supervision. It follows that for ABN AMRO, MDA restrictions should be calculated at Group consolidated, Issuer sub-consolidated and Issuer solo-consolidated level. For each such level of supervision, the level of restriction under article 141(2) CRD IV Directive will be scaled according to the extent of the breach of the combined buffer requirement applicable at such level and calculated as a percentage of the respective profits calculated at such level. The MDA would thus be assessed separately for each level of supervision based on this calculation and distributions would be restricted by the lowest amount.

Such calculation will result in a maximum distributable amount in each relevant period. As an example, the scaling is such that in the bottom quartile of the combined buffer requirement, no discretionary distributions will be permitted to be paid. As consequence, in the event of breach of the combined buffer requirement it may be necessary to reduce payments that would, but for the breach of the combined buffer requirement, be discretionary, including potentially exercising the Issuer's discretion to cancel (in whole or in part) interest payments in respect of the Securities. In such circumstances, the aggregate amount of distributions which the Issuer can make on account of dividends, interest payments, write-up amounts and redemption amounts on its Tier 1 instruments (including the Capital Securities) and certain bonuses will be limited.

The implementation of article 141 CRD IV Directive in The Netherlands, including its inter-relationship with the minimum and additional capital requirements, buffers and macro-prudential tools referred to below (including the calculation of the Maximum Distributable Amount), remains uncertain in many respects and such uncertainty can be expected to subsist while the relevant authorities in the EU and The Netherlands continue to develop their approach to the application of the relevant rules. However, the amount of CET1 capital required to meet the combined buffer requirements will be relevant to assess the risk of interest payments being cancelled. See also below in the risk factor "*CRD IV includes capital requirements that are in addition to the minimum regulatory Common Equity Tier 1 capital requirement. These additional capital requirements will restrict the Issuer from making interest payments on the Capital Securities in certain circumstances, in which case the Issuer will automatically cancel such interest payments*".

The Issuer's capital requirements are, by their nature, calculated by reference to a number of factors any one of which or combination of which may not be easily observable or capable of calculation by investors. See also below in the risk factor "*The Issuer CET1 Ratio and the Group CET1 Ratio will be affected by a number of factors, any of which may be outside the Issuer's control, as well as by its business decisions and, in making such decisions, the Issuer's interests may not be aligned with those of the investors*".

Holders of the Capital Securities may not be able to predict accurately the proximity of the risk of discretionary payments (of interest and principal) on the Capital Securities being prohibited from time to time as a result of the operation of article 141 CRD IV Directive. In any event, the Issuer will have discretion as to how the Maximum Distributable Amount will be applied if insufficient to meet all

expected distributions and is not obliged to take the interest of investors in the Capital Securities into account.

The CRD IV Directive gives the competent authority certain recovery powers which would apply if the Issuer fails (or threatens to fail) to comply with applicable regulations. There are no ex-ante limitations on the discretion to use this power. In such circumstances, the competent authority could require the Issuer to suspend payments of interest on Additional Tier 1 instruments (including the Capital Securities). Furthermore, the CRD IV Directive provides the competent authority coupon cancellation powers in the context of the regular supervisory review and evaluation process of the Issuer which may cause the Issuer to cancel interest payments to holders of the Capital Securities.

Payment of interest may also be affected by any application of the legislation in The Netherlands implementing the BRRD See also below in the risk factors "*A Holder may lose all of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption occurs*" and "*Change in law and jurisdiction may impact Capital Securities*".

In addition, CRD IV includes a requirement for credit institutions to calculate, report, monitor and publish their leverage ratios, defined as their Tier 1 capital as a percentage of their total exposure measure. During the observation period for the introduction of the leverage ratio, the leverage ratio – using the Basel III standard – is required to be maintained at a level of at least 3 per cent of Tier 1 capital. This requirement will be harmonised at EU level from 1 January 2018, until which date regulators may apply such measures as they consider appropriate. The Dutch government has indicated that Dutch systemically important banks, including the Issuer, should have a leverage ratio of at least 4 per cent by 2018. See also below in the risk factor "*Change in law and jurisdiction may impact Capital Securities*".

There can be no assurance, however, that the leverage ratio specified above, or any of the minimum own funds requirements, additional own funds requirements or buffer capital requirements applicable to the Issuer will not be amended in the future to include new and more onerous capital requirements, which in turn may affect the Issuer's capacity to make payments of interest on the Capital Securities.

It follows from the above that there can be no assurance that an investor will receive payments of interest in respect of the Capital Securities, and the Issuer's ability to make interest payments on the Capital Securities will depend on a combination of (i) the level of distributable reserves and the profits the Issuer has accumulated in the financial year preceding any interest payment date, (ii) the amount of outstanding capital instruments with interest cancellation provisions similar to the Capital Securities, (iii) the combined capital buffer of the Issuer and any other capital requirement applicable to the Issuer as applicable at each solvency level from time to time and (iv) the application of certain discretionary powers of the competent authority in respect of the Issuer. Furthermore, even if there were to be sufficient funds to make interest payments on the Capital Securities, the Issuer may still elect to cancel such interest payment for any reason and for any length of time. Furthermore, no interest will be paid on any principal amount that has been written down following a Trigger Event and/or Statutory Loss Absorption and interest on any remaining principal amount following such write-down is subject to the Issuer having sufficient Distributable Items and, if applicable, sufficient Net Profit and the Maximum Distributable Amount not being exceeded (see the risk factors "*The principal amount of the Capital Securities may be reduced (Written Down) to absorb losses*" and "*A Holder may lose all of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption occurs*" below).

Any interest not paid shall be deemed cancelled and shall not accumulate or be payable at any time thereafter. Cancellation of interest shall not constitute a default under the Capital Securities for any purpose. Investors shall have no further rights in respect of any interest not paid and shall not be entitled to any compensation or to take any action to cause the bankruptcy, liquidation, dissolution or winding up of the Issuer. Furthermore, cancellation of interest payments shall not in any way impose restrictions on the Issuer, including restricting the Issuer from making distributions or equivalent payments in connection with junior ranking or *pari passu* ranking instruments.

Any actual or anticipated cancellation of interest on the Capital Securities will likely have an adverse effect on the market price of the Capital Securities. In addition, as a result of the interest cancellation provisions of the Capital Securities, the market price of the Capital Securities may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such cancellation and may be more sensitive generally to adverse changes in the Issuer's financial condition.

Any indication that the Issuer CET1 Ratio and/or the Group CET1 Ratio is trending towards the minimum applicable combined capital buffer may have an adverse effect on the market price of the Capital Securities.

The principal amount of the Capital Securities may be reduced (Written Down) to absorb losses

The Capital Securities are being issued for capital adequacy regulatory purposes with the intention and purpose of being eligible as Additional Tier 1 Capital of the Issuer. Such eligibility depends upon a number of conditions being satisfied. One of these relates to the ability of the Capital Securities and the proceeds of their issue to be available to absorb any losses of the Issuer. Accordingly, if the then applicable Issuer CET1 Ratio falls below 5.125 per cent and/or the then applicable Group CET1 Ratio falls below 7 per cent (a "**Trigger Event**"), the Prevailing Principal Amount of the Capital Securities will be reduced with an amount at least sufficient to immediately cure the Trigger Event, and any accrued but unpaid interest will be cancelled. A Principal Write-down may occur at any time on one or more occasions (provided, however, that the principal amount of a Capital Security shall never be reduced to below one cent). Any Principal Write-down of the Capital Securities shall not constitute a default of the Issuer. Investors shall not be entitled to any compensation or to take any action to cause the bankruptcy, liquidation, dissolution or winding up of the Issuer (without prejudice to any principal amount subsequently written-up at the discretion of the Issuer in accordance with the Principal Write-up mechanism as set out in Condition 7.2 (*Principal Write-up*)).

A Principal Write-down is expected to occur simultaneously with the concurrent *pro rata* write-down or conversion into equity of the prevailing principal amount of any Similar Loss Absorbing Instruments and after the write-down or conversion into equity of other Loss Absorbing Instruments with higher trigger levels. However, this will not necessarily be the case. In particular, investors must note that to the extent such write-down or conversion into equity of any Loss Absorbing Instruments is not effective for any reason (i) the ineffectiveness of any such write-down or conversion into equity shall not prejudice the requirement to effect a Principal Write-down of the Capital Securities and (ii) the write-down or conversion into equity of any Loss Absorbing Instrument which is not effective shall not be taken into account in determining the Write-Down Amount of the Capital Securities. Therefore, the write-down or conversion into equity of other Loss Absorbing Instruments is not a condition for a Principal Write-down of the Capital Securities and, as a result of failure to write down or convert into equity such other Loss Absorbing Instruments, the Write-down Amount of the Capital Securities may be higher. Holders may lose all or some of their investment as a result of such a Principal Write Down of the Prevailing Principal Amount. In particular, the Issuer may be required to write down the Prevailing Principal Amount of the Capital Securities following the occurrence of a Trigger Event such that the CET1 ratios are restored to a level higher than 7 per cent. in the case of the Group CET1 Ratio and higher than 5.125 per cent. in the case of the Issuer CET1 Ratio. No assurance can be given that a Principal Write-down will be applied towards not only curing the Trigger Event but also towards restoring the Issuer CET1 Ratio and/or the Group CET1 Ratio to a level above the Trigger Event. In such an event, the Write Down Amount will be greater than the amount by which the then Prevailing Principal Amount would have been written down if the Issuer had been required to Write Down the principal amount of the Capital Securities to the extent necessary thereby to restore the Group CET1 Ratio to 7 per cent. and/or the Issuer CET1 Ratio to 5.125 per cent.

Furthermore, it is possible that, following a material decrease in the Issuer CET1 Ratio and/or Group CET1 Ratio, a Trigger Event in relation to the Capital Securities occurs simultaneously with a trigger event in relation to other Loss Absorbing Instruments having a higher trigger level. If this were to occur, the Prevailing Principal Amount of the Capital Securities will be reduced *pro rata* with such Loss Absorbing Instruments having a higher trigger level up to an amount sufficient to restore the Issuer CET1 Ratio to not less than 5.125 per cent and the Group CET1 Ratio to not less than 7 per cent. However, any additional amounts required to also cure the trigger event in relation to Loss Absorbing Instruments with a higher trigger level will only be written-down from the principal amount of such Loss Absorbing Instruments with a higher trigger level.

The Issuer's current and future outstanding junior and *pari passu* ranking securities might not include write-down or similar features with triggers comparable to those of the Capital Securities. As a result, it is possible that the Capital Securities will be subject to a Principal Write-down, while junior and *pari passu* ranking securities remain outstanding and continue to receive payments. Also, the Terms and Conditions of the Capital Securities do not in any way impose restrictions on the Issuer following a Principal Write-down, including restrictions on making any distribution or equivalent payment in connection with (i) any

Junior Obligations (including, without limitation, any common shares of the Issuer) or (ii) in respect of any Parity Obligations.

Investors may lose all or some of their investment as a result of a Principal Write-down or of reaching the point of non-viability (as discussed below in the risk factor "*A Holder may lose all of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption occurs*") and due to the limited circumstances in which a Principal Write-up may be undertaken, any reinstatement of the Prevailing Principal Amount of the Capital Securities and recovery of such investment may take place over an extended period of time or not at all. In addition, if an Enforcement Event (as defined in Condition 11 (*Enforcement*)) occurs prior to the Capital Securities being written-up in full pursuant to Condition 7.2 (*Principal Write-up*), Holders' claims for principal in liquidation or bankruptcy will be based on the reduced principal amount (if any) of the Capital Securities. Further, during the period of any Principal Write-down pursuant to Condition 7.1 (*Principal Write-down*), interest will accrue on the reduced principal amount of the Capital Securities and is subject to the Issuer having sufficient Distributable Items and, if applicable, sufficient Net Profit and the Maximum Distributable Amount not being exceeded. Also, any redemption at the option of the Issuer upon the occurrence of a Tax Event or a Capital Event will take place at the reduced principal amount of the Capital Securities.

The written down principal amount will not be automatically reinstated if the Issuer CET1 Ratio and the Group CET1 Ratio are restored above a certain level. It is the extent to which the Issuer and ABN AMRO Group N.V. make a profit from their operations (if any) that will affect whether the principal amount of the Capital Securities may be reinstated to its Original Principal Amount. The Issuer's ability to write-up the principal amount of the Capital Securities will depend on certain conditions, such as there being sufficient Net Profit and, if applicable, a sufficient Maximum Distributable Amount. No assurance can be given that these conditions will ever be met. Moreover, even if met, the Issuer will not in any circumstances be obliged to write-up the principal amount of the Capital Securities. Also the competent authority has the power to prohibit a write-up in the context of the regular supervisory review and evaluation process or if the Issuer fails (or threatens to fail) to comply with applicable regulations. However, if any write-up were to occur, it will have to be undertaken on a *pro rata* basis with any other instruments qualifying as Additional Tier 1 Capital providing for a reinstatement of principal amount in similar circumstances that have been subject to a write-down (see Condition 7.2(a) (*Principal Write-up*)).

The market price of the Capital Securities is expected to be affected by any actual or anticipated write-down of the principal amount of the Capital Securities as well as by the Issuer's actual or anticipated ability to write-up the reduced principal amount to its original principal amount.

The Issuer CET1 Ratio and the Group CET1 Ratio will be affected by a number of factors, any of which may be outside the Issuer's control, as well as by its business decisions and, in making such decisions, the Issuer's interests may not be aligned with those of the investors

The market price of the Capital Securities is expected to be affected by fluctuations in the Issuer CET1 Ratio and/or the Group CET1 Ratio. Any indication that the Issuer CET1 Ratio and/or the Group CET1 Ratio is trending towards the write-down trigger of 5.125 per cent and 7 per cent, respectively, may have an adverse effect on the market price of the Capital Securities. The level of the Issuer CET1 Ratio and/or the Group CET1 Ratio may significantly affect the trading price of the Capital Securities.

The occurrence of a Trigger Event is inherently unpredictable and depends on a number of factors, any of which may be outside the Issuer's control. Because the Issuer CET1 Ratio and the Group CET1 Ratio may be calculated as at any date, a Trigger Event could occur at any time. The calculation of the Issuer CET1 Ratio and/or the Group CET1 Ratio could be affected by one or more factors, including, among other things, changes in the mix of the Issuer's business, major events affecting its earnings, dividend payments by the Issuer, regulatory changes (including the imposition of additional minimum capital or capital buffer requirements or changes to definitions and calculations of regulatory capital ratios and their components or the changes to the interpretation thereof by the relevant authorities or case law) and the Issuer's ability to manage risk-weighted assets in both its ongoing businesses and those which it may seek to exit or enter.

As an example of potential regulatory changes which may impact the Issuer CET1 Ratio and/or the Group CET1 Ratio, at the end of 2014, the Basel Committee on Banking Supervision published for public consultation revisions to the standardised approaches for credit, operational and market risk, and the

introduction of capital floors based on standardised approaches. Of these proposals, the introduction of the standardised credit risk RWA (REA) floor would have the most significant impact on the Issuer. The proposals for the new standardised credit risk RWA (REA) calculation rules include (i) introduction of new risk drivers; (ii) introduction of higher risk weights; and (iii) removal of external ratings from the framework. In addition, the revisions are likely to require that banks which apply advanced approaches to risk categories, apply the higher of (i) the RWA (REA) floor based on (new) standardised approaches and (ii) the RWA (REA) floor based on advanced approaches in the denominator of their ratios. The consultations are now closed. Although timing for adoption, content and impact of these proposals remain subject to considerable uncertainty, the implementation of the standardised RWA (REA) floors would have a significant impact on the calculation of the Issuer's risk weighted assets due to the substantial difference in RWA (REA) calculated on the basis of advanced approaches and such calculation on the basis of new standardised rules for mortgages, and, to a lesser extent, exposures to corporates.

The Issuer CET1 Ratio and the Group CET1 Ratio will also depend on the Issuer's decisions relating to its businesses and operations, as well as the management of its capital position, and may be affected by changes in applicable accounting rules (including, but not limited to, the introduction of IFRS 9), or by changes to regulatory adjustments which modify the regulatory capital impact of accounting rules. For example, the Issuer may decide not to, or not be able to, raise capital at a time when it is feasible to do so, even if that would result in the occurrence of a Trigger Event. Moreover, the Issuer CET1 Ratio, the Group CET1 Ratio, Distributable Items and any Maximum Distributable Amount will depend in part on decisions made by the Issuer relating to its businesses and operations, as well as the management of its capital position. See also the risk factors included in the Registration Document incorporated by reference herein for further developments, circumstances and events which may impact the Issuer CET1 Ratio and/or the Group CET1 Ratio.

Investors will not be able to monitor movements in the Issuer CET1 Ratio and/or the Group CET1 Ratio or any Maximum Distributable Amount on a continuous basis and it may therefore not be foreseeable when a Trigger Event may occur or whether interest payments must be cancelled. The Issuer will have no obligation to consider the interests of investors in connection with its strategic decisions, including in respect of its capital management. Investors will not have any claim against the Issuer relating to decisions that affect the business and operations of the Issuer, including its capital position, regardless of whether they result in the occurrence of a Trigger Event. Such decisions could cause investors to lose all or part of the value of their investment in the Capital Securities.

The usual reporting cycle of the Issuer is for the Issuer CET1 Ratio and the Group CET1 Ratio to be reported on a quarterly basis in conjunction with the Issuer's quarterly financial reporting, which may mean investors are given limited warning of any deterioration in the Issuer CET1 Ratio and/or the Group CET1 Ratio.

The factors that influence the Issuer CET1 Ratio may not be the same as the factors that influence the Group CET1 Ratio. At the date of this Prospectus, the capital instruments eligible as own funds of the Issuer are the same as the capital instruments eligible as own funds of Group, but the risk-weighted assets and deductions of the own funds of the Issuer differ from the risk-weighted assets and deductions of the own funds of Group.

Since a Trigger Event will occur if any one of the CET1 ratio thresholds is breached regardless of whether or not the other CET1 ratio thresholds are breached, the additional uncertainties resulting from differences in the factors affecting the three CET1 ratios may have an adverse impact on the market price or the liquidity of the Capital Securities.

Due to the uncertainty regarding whether a Trigger Event will occur, it will be difficult to predict when, if at all, the Prevailing Principal Amount of the Capital Securities may be written down. Accordingly, the trading behaviour of the Capital Securities may not necessarily follow the trading behaviour of other types of subordinated securities. Any indication that the Issuer CET1 Ratio and/or the Group CET1 Ratio is trending towards the minimum applicable combined capital buffer may have an adverse effect on the market price of the Capital Securities. Under such circumstances, investors may not be able to sell their Capital Securities easily or at prices that will provide them with a yield comparable to more conventional investments.

CRD IV includes capital requirements that are in addition to the minimum regulatory Common Equity Tier 1 capital requirement. These additional capital requirements will restrict the Issuer from making

interest payments on the Capital Securities in certain circumstances, in which case the Issuer will automatically cancel such interest payments

A minimum combined buffer will be imposed on top of the minimum regulatory CET1 capital requirement of 4.5% of the Issuer's total risk exposure amount as calculated in accordance with article 92 CRR ("**TREA**"). The Dutch legislator has implemented the combined buffer requirement in the Wft and the implementing Decree on prudential rules Wft (*Besluit prudentiële regels Wft*, the "**Decree on Prudential Rules Wft**") which entered into force on 1 August 2014.

The combined buffer requirement consists of the following elements:

- **Capital conservation buffer** (*kapitaalconserveringsbuffer*): set at 2.5% of TREA;
- **Institution-specific countercyclical capital buffer** (*contracyclische kapitaalbuffer*): the institution-specific countercyclical capital buffer rate shall consist of the weighted average of the countercyclical capital buffer rates that apply in the jurisdictions where the relevant credit exposures are located; this rate will be between 0% and 2.5% of TREA (but may be set higher than 2.5% where DNB considers that the conditions justify this). The designated authority in each member state must set the countercyclical capital buffer rate for exposures in its jurisdiction on a quarterly basis;
- **Systemic relevance buffer** (*systeemrelevantiebuffer*): the systemic relevance buffer consists of a buffer for global systemically important institutions ("**G-SIIs**") and for other systemically important institutions ("**O-SIIs**"), to be determined by DNB. The buffer rate for O-SIIs can be up to 2.0% of TREA. The buffer rate for G-SII can be between 1% and 3.5% of TREA. DNB periodically reviews the identification of G-SIIs and O-SIIs as well as the applicable buffer rate; and
- **Systemic risk buffer** (*systeemrisicobuffer*): set as an additional loss absorbency buffer to prevent and mitigate long term non-cyclical systemic or macroprudential risks not covered in CRD IV, with a minimum of 1% of TREA. On 29 April 2014 DNB issued a press release announcing that the Issuer must comply with a systemic risk buffer of 3% of TREA. The buffer rate will be reviewed annually by DNB.

When an institution is subject to a systemic relevance buffer and a systemic risk buffer, either (i) the higher of these buffers applies or (ii) these buffers are cumulative, depending on the location of the exposures which the systemic risk buffer addresses.

The combined buffer requirement must be met with CET1 Capital and will be gradually phased in in quartiles from 1 January 2016 to fully apply as per 1 January 2019.

It follows from the above that, as at the date of this Prospectus, the combined buffer requirement is set at 5.5% of CET1 Capital above the minimum regulatory CET1 requirement of 4.5% (or 10% in aggregate) on a full phase-in basis. However, in the future the Issuer may need to comply with a higher combined buffer requirement. For example, the competent authority may impose a higher systemic risk buffer or introduce a countercyclical capital buffer.

In addition to the "Pillar 1" capital requirements described above, CRD IV contemplates that competent authorities may require additional "Pillar 2" capital to be maintained by an institution relating to elements of risks which are not fully covered by the minimum own funds requirements ("**additional own funds requirements**") or to address macro-prudential requirements.

The European Banking Authority ("**EBA**") published guidelines on 19 December 2014 addressed to national supervisors on common procedures and methodologies for the supervisory review and evaluation process ("**SREP**") which contained guidelines proposing a common approach to determining the amount and composition of additional own funds requirements and which is to be implemented by 1 January 2016. Under these guidelines, national supervisors should set a composition requirement for the additional own funds requirements to cover certain risk types of at least 56 per cent CET 1 capital and at least 75 per cent Tier 1 capital. The guidelines also contemplate that national supervisors should not set additional own funds requirements in respect of risks which are already covered by capital buffer requirements and/or additional macro-prudential requirements. Accordingly, the combined buffer

requirement (as referred to above) applies in addition to the minimum own funds requirement and to the additional own funds requirement. There can be no assurance as to the relationship between the "Pillar 2" additional own funds requirements and the restrictions on discretionary payments referred to above and as to how and when effect will be given to the EBA's minimum guidelines in The Netherlands, including as to the consequences for an institution of its capital levels falling below the minimum, buffer and additional requirements referred to above.

Currently, in accordance with restrictions imposed by the competent authority, the Issuer does not disclose the additional own funds requirements applicable to ABN AMRO Group N.V. or the Issuer. Should those restrictions no longer apply, the Issuer intends to publish details of such additional own funds requirements. There can be no assurance, however, that such restrictions will not cease to apply or, if they do, as to the consequences of any such publication.

Many aspects of the manner in which CRD IV will be implemented remain uncertain

Many of the defined terms in the Terms and Conditions of the Capital Securities depend on the final interpretation and implementation of CRD IV. CRD IV is a recently-adopted set of rules and regulations that imposes a series of new requirements, many of which will be phased in over a number of years. Although the CRD IV Directive has been implemented into Dutch law as per 1 August 2014 and CRR is directly applicable in each Member State, a number of important interpretational issues remain to be resolved through binding technical and implementing standards and guidelines and recommendations by the EBA that will be adopted in the future, and leaves certain other matters to the discretion of the competent authority. DNB has already made certain regulatory determinations under the CRR by means of the CRD IV and CRR Specific Provisions Regulation (*Regeling specifieke bepalingen CRD IV en CRR*). In addition, the European Central Bank has assumed primary prudential supervisory responsibilities formerly handled by DNB as of November 2014. The European Central Bank may interpret CRD IV, or exercise discretion accorded to the regulator under CRD IV (including options with respect to the treatment of assets of other affiliates) in a different manner than DNB.

Furthermore, any change in the laws or regulations of The Netherlands, Applicable Banking Regulations or any change in the application or official interpretation thereof may in certain circumstances result in the Issuer having the option to redeem the Capital Securities in whole but not in part (see the risk factor "*The Capital Securities are subject to optional early redemption at the fifth anniversary of the Issue Date, each anniversary thereafter or at any time upon the occurrence of a Tax Event or a Capital Event, subject to certain conditions*" below). In any such case, the Capital Securities would cease to be outstanding, which could materially and adversely affect investors and frustrate their investment strategies and goals.

Such legislative and regulatory uncertainty could affect an investor's ability to value the Capital Securities accurately and therefore affect the market price of the Capital Securities given the extent and impact on the Capital Securities of one or more regulatory or legislative changes.

A Holder may lose all of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption occurs

In addition to being subject to a possible write-down as a result of the occurrence of a Trigger Event in accordance with the Terms and Conditions of the Capital Securities, the Capital Securities may also be subject to a permanent write-down (in whole or in part) in circumstances where the competent resolution authority would, in its discretion, determine that the Issuer has reached the point of non-viability.

Pursuant to the banking legislation dealing with ailing banks (Special Measures Financial Institutions Act, *Wet bijzondere maatregelen financiële ondernemingen*, the "**Dutch Intervention Act**"), substantial powers were granted to DNB and the Dutch Minister of Finance enabling them to deal with, *inter alia*, ailing Dutch banks prior to insolvency. The Dutch Intervention Act empowers DNB or the Minister of Finance, as applicable, to commence proceedings leading, *inter alia*, to: (i) transfer of all or part of the business (including deposits) of the relevant bank to a private sector purchaser; (ii) transfer of all or part of the business of the relevant bank to a "bridge bank"; and (iii) public ownership of the relevant bank and expropriation of debt securities (which may include the Capital Securities). Subject to certain exceptions, as soon as any of these proposed proceedings have been initiated by DNB or the Minister of Finance, as applicable, the relevant counterparties of such bank would not be entitled to invoke events of default or set off their claims against the bank. These powers (including the transfer of liabilities), if exercised with respect to the Issuer, may impact the Capital Securities and will, subject to certain exceptions, lead to

counterparties of the Issuer (including the Holders) not being entitled to invoke events of default or set off their claims. Within the context of the resolution tools provided in the Dutch Intervention Act, holders of debt securities of a bank (including the Capital Securities) subject to resolution could be affected by issuer substitution or replacement, transfer of debt, expropriation, modification of terms and/or suspension or termination of listings.

The national framework for intervention relating to banks by DNB will be replaced by the law implementing the resolution framework set out in the BRRD (see below). However, the powers granted to the Dutch Minister of Finance under the Dutch Intervention Act are likely to remain. Consequently, the Dutch Minister of Finance may, with immediate effect, take measures or expropriate assets or securities issued by or with the consent of a financial firm (*financiële onderneming*) or its parent, in each case if it has its corporate seat in The Netherlands, if in the Minister of Finance's opinion the stability of the financial system is in serious and immediate danger as a result of the situation in which the firm finds itself.

Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council (the "**BRRD**") sets out a common European recovery and resolution framework which is composed of three pillars: preparation (by requiring banks to draw up recovery plans and resolution authorities to draw up resolution plans), early intervention powers and resolution powers.

Recovery and resolution plans

The Issuer is required to draw up and maintain a recovery plan. This plan must provide for a wide range of measures that could be taken by the Issuer for restoring its financial condition in case it significantly deteriorated. The Issuer must submit the plan to the competent supervisory authority for review and update the plan annually or after changes in the legal or organisational structure, business or financial situation that could have a material effect on the recovery plan. Keeping the recovery plan up to date will require monetary and management resources.

The resolution authorities responsible for a resolution in relation to the Issuer will draw up the Issuer's resolution plan providing for resolution actions it may take if the Issuer would fail or would be likely to fail. In drawing up the Issuer's resolution plan, the resolution authorities will identify any material impediments to the Issuer's resolvability. Where necessary, the resolution authorities may require the Issuer to remove such impediments. This may lead to mandatory legal restructuring of the Issuer, which could lead to high transaction costs, or could make the Issuer's business operations or its funding mix to become less optimally composed or more expensive. The resolution authorities may also require the Issuer to issue additional liabilities at various levels within the Issuer or concentrated at the level of ABN AMRO Group N.V. This may result in higher capital and funding costs for the Issuer, and as a result adversely affect the Issuer's profits and its possible ability to pay dividends.

Early intervention

If the Issuer would infringe or, due to a rapidly deteriorating financial condition, would be likely to infringe capital or liquidity requirements in the near future, the supervisory authorities will have the power to impose early intervention measures. A rapidly deteriorating financial condition could, for example, occur in case of a deterioration of the Issuer's liquidity situation, increasing level of leverage and non-performing loans. Intervention measures include the power to require changes to the legal or operational structure of the institution, changes to the institutions' business strategy, the Issuer's managing board to convene a general meeting of shareholders, set the agenda and require certain decisions to be considered for adoption by the general meeting.

(Pre-)Resolution measures

If the Issuer were to reach a point of non-viability, the Resolution Board could take pre-resolution measures before the conditions for resolution are met. These measures include the write down and cancellation of shares, and the conversion of capital instruments (such as the Capital Securities) into shares. A write down or conversion of capital instruments into shares could adversely affect the rights and

effective remedies of holders of Capital Securities and the market value of their Capital Securities could be negatively affected.

The BRRD provides resolution authorities with broader powers to implement resolution measures with respect to banks which reach non-viability, which may include (without limitation) the sale of the bank's business, the separation of assets, the replacement or substitution of the bank as obligor in respect of debt instruments, modifications to the terms of debt instruments and discontinuing the listing and admission to trading of financial instruments. Furthermore, the BRRD provides resolution authorities the power to ensure that capital instruments (such as the Capital Securities) absorb losses at the point of non-viability of the issuing institution, through the write-down or conversion to equity of such instruments (the "**Bail-In Tool**"). The stated aim of the BRRD is, similar to the Dutch Intervention Act, to provide relevant authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize tax payers' exposure to losses.

When applying the resolution tools and exercising the resolution powers, including the preparation and implementation thereof, the resolution authorities are not subject to (i) requirements to obtain approval or consent from any person either public or private, including but not limited to the holders of shares or debt instruments, or from any other creditors, and (ii) procedural requirements to notify any person including any requirement to publish any notice or prospectus or to file or register any document with any other authority, that would otherwise apply by virtue of applicable law, contract, or otherwise. In particular, the resolution authorities can exercise their powers irrespective of any restriction on, or requirement for consent for, transfer of the financial instruments, rights, assets or liabilities in question that might otherwise apply.

Resolution authorities are expected to be required to exercise the Bail-In Tool in a way that results in (i) CET1 instruments being written down first in proportion to the relevant losses and (ii) thereafter, the principal amount of other capital instruments (such as the Capital Securities) being written down or converted into CET1 instruments on a permanent basis and (iii) thereafter, eligible liabilities being written down or converted in accordance with a set order of priority. The point of non-viability under BRRD is the point at which the national resolution authority determines that an institution meets the condition 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 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.

Should the Issuer reach the point of non-viability (on a standalone or group basis), the Capital Securities are more likely to be subject to the Bail-In Tool than tier 2 instruments of the Issuer and eligible senior instruments issued by the Issuer.

Except for the Bail-In Tool with respect to eligible liabilities, which is expected to apply as from 1 January 2016, the BRRD contemplates that the measures set out therein, including the Bail-In Tool with respect to capital instruments such as the Capital Securities, apply as from 1 January 2015 (although the Dutch legislator has failed as at the date of this Prospectus to implement BRRD).

Furthermore, it is possible that pursuant to other resolution or recovery rules which may in the future be applicable to the Issuer, new powers may be given to DNB or another relevant authority which could be used in such a way as to result in the debt instruments of the Issuer, such as the Capital Securities, absorbing losses in the course of any resolution of the Issuer.

The BRRD is complemented by the directly binding Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (the "**SRM**").

The primary scope of the SRM is the euro area and the SRM will be applied to the Issuer as a primary recovery and resolution code instead of the Dutch implementation measures relating to the BRRD. The SRM establishes a European Single Resolution Board (the "**Resolution Board**") having resolution powers over the institutions that are subject to the SRM, thus replacing or exceeding the powers of the national resolution authorities. The Resolution Board will draw up and adopt a resolution plan for the entities subject to its powers, including the Issuer. It will also determine, after consultation with competent authorities, a minimum requirement for own funds and eligible liabilities subject to write-down and conversion powers which the Issuer will be required to meet at all times. The Resolution Board will also use the powers of early intervention as set forth in the SRM, including the power to require an institution to contact potential purchasers in order to prepare for resolution of institution. The Resolution Board will have the authority to exercise the specific resolution powers pursuant to the SRM similar to those of the national resolution authorities under the BRRD. The resolution tools available for the Resolution Board include the sale of business tool, the bridge institution tool, the asset separation tool and the bail-in tool as further specified in the SRM. The use of one or more of these tools will be included in a resolution scheme to be adopted by the Resolution Board.

Pursuant to the SRM, the bail-in tool may be applied to recapitalise an institution to restore its ability to comply with the licensing conditions and to sustain market confidence in the institution or to convert claims or debts to equity or reduce their principal amount. The bail-in tool covers bonds and notes issued by the institution subject to resolution measures, but certain defined instruments are excluded from the scope, such as covered bonds.

The provisions relating to resolution plans and cooperation between the Resolution Board and the national resolution authorities are applied as of 1 January 2015. The resolution powers of the Resolution Board will take effect from 1 January 2016. The Resolution Board may apply interpretations of BRRD or recovery and resolution strategies that differ from those applied by the relevant national resolution authorities. Any change in the interpretation or strategy may affect the resolution plans for the Issuer, as prepared by the relevant national resolution authority.

On 10 July 2013, the European Commission announced the adoption of its temporary state aid rules for assessing public support to financial institutions during the crisis (the "**Revised State Aid Guidelines**"). The Revised State Aid Guidelines impose stricter burden-sharing requirements, which require banks with capital needs to obtain additional contributions from equity holders and capital instrument holders before resorting to public recapitalisations or asset protection measures. The European Commission has applied the principles set out in the Revised State Aid Guidelines from 1 August 2013. In these guidelines, the European Commission has made it clear that any burden sharing imposed on subordinated debt holders will be made in line with principles and rules set out in the BRRD.

The Dutch Intervention Act, the BRRD, the SRM and the Revised State Aid Guidelines may increase the Issuer's cost of funding and thereby have an adverse impact on the Issuer's funding ability, financial position and results of operations. Therefore, in case of a capital shortfall, the Issuer would first be required to carry out all possible capital raising measures by private means, including the conversion of junior debt into equity, before one is eligible for any kind of restructuring State aid.

The Dutch Intervention Act, the BRRD, the SRM and the Revised State Aid Guidelines could negatively affect the position of Holders and the credit rating attached to the Capital Securities, 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 Holders as well as the market value of the Capital Securities.

With a view to the developments described above, the Terms and Conditions of the Capital Securities stipulate that the Capital Securities may become subject to the determination by the relevant Resolution Authority or the Issuer (following instructions from the relevant Resolution Authority) that all or part of the principal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be written off or converted into CET1 instruments or otherwise be applied to absorb losses, all as prescribed by the Applicable Resolution Framework ("**Statutory Loss Absorption**"). See Condition 8 (*Statutory Loss Absorption*).

Upon any such determination, (i) the relevant proportion of the outstanding nominal amount of the Capital Securities subject to Statutory Loss Absorption shall be written off or converted into CET 1 instruments or otherwise be applied to absorb losses, as prescribed by the Applicable Resolution

Framework (ii) investors will have no further rights or claims in respect of the amount so written off or subject to conversion or otherwise as a result of such Statutory Loss Absorption, (iii) such Statutory Loss Absorption shall not constitute a default nor entitle investors to take any action to cause the bankruptcy, liquidation, dissolution or winding up of the Issuer.

Any written off amount as a result of Statutory Loss Absorption shall be irrevocably lost and investors will cease to have any claims for any principal amount and accrued but unpaid interest which has been subject to Statutory Loss Absorption.

In addition, the Terms and Conditions of the Capital Securities stipulate that, subject to the determination by the relevant resolution authority and without the consent of the investors, the Capital Securities may be subject to other resolution measures as envisaged under by the Applicable Resolution Framework; that such determination, the implementation thereof and the rights of investors shall be as prescribed by the Applicable Resolution Framework, which may, *inter alia*, include the concept that, upon such determination no investor shall be entitled to claim any indemnification arising from any such event and that any such event shall not constitute an event of default or entitle the Holders to take any action to cause the bankruptcy, liquidation, dissolution or winding up of the Issuer.

The determination that all or part of the nominal amount of the Capital Securities will be subject to Statutory Loss Absorption may be inherently unpredictable and may depend on a number of factors which may be outside of the Issuer's control. Accordingly, trading behaviour in respect of Capital Securities which are subject to Statutory Loss Absorption is not necessarily expected to follow trading behaviour associated with other types of securities. Any indication that Capital Securities will become subject to Statutory Loss Absorption could have an adverse effect on the market price of the relevant Capital Securities. Potential investors should consider the risk that they may lose all of its investment in such Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption occurs.

No scheduled redemption

The Capital Securities are undated securities in respect of which there is no fixed redemption or maturity date. The Issuer is under no obligation to redeem the Capital Securities at any time (see Condition 5 (*Redemption and Purchase*)); although the Terms and Conditions of the Capital Securities include several options for the Issuer to redeem the Capital Securities, there is no contractual incentive for the Issuer to exercise any of these call options and the Issuer has full discretion under the Terms and Conditions of the Capital Securities not to do so for any reason. There will be no redemption at the option of investors.

This means that Holders of Capital Securities have no ability to cash in their investment, except:

- (a) if the Issuer exercises its rights to redeem or purchase the Capital Securities;
- (b) by selling their Capital Securities; or
- (c) by claiming for any principal amounts due and not paid in any bankruptcy, Moratorium or dissolution (*ontbinding*) of the Issuer.

Accordingly there is uncertainty as to when (if ever) an investor in the Capital Securities will receive repayment of the Prevailing Principal Amount of the Capital Securities.

The Capital Securities are subject to optional early redemption at the fifth anniversary of the Issue Date, each anniversary thereafter or at any time upon the occurrence of a Tax Event or a Capital Event, subject to certain conditions

The Issuer may, at its option, redeem all, but not some only, of the Capital Securities on the First Call Date or on any date which falls one year, or a multiple thereof, after the First Call Date thereafter (the "**Issuer Call Option**"), or at any time upon the occurrence of a Tax Event or a Capital Event, in each case at their Prevailing Principal Amount plus accrued and unpaid interest (if any). Any such redemption shall be subject to Condition 5.6 (*Conditions for Redemption and Purchase*) which provides, among other things, that (i) the Competent Authority must give its prior written permission and (ii) the Issuer must demonstrate to the satisfaction of the Competent Authority that the Issuer complies with article 78 CRR (or any equivalent or substitute provision under Applicable Banking Regulations), which may include the replacement of the Capital Securities with own funds instruments of equal or higher quality at terms that

are sustainable for the income capacity of the Issuer. However, if a Principal Write-down has occurred, the Issuer shall not be entitled to redeem the Capital Securities by exercising the Issuer Call Option until the reduced principal amount of the Capital Securities is increased up to their Original Principal Amount pursuant to conditions for Principal Write-up.

An optional redemption feature is likely to limit the market value of the Capital Securities. During any period when the Issuer may elect to redeem the Capital Securities, the market value of the Capital Securities generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. In addition, investors will not receive a make-whole amount or any other compensation in the event of any early redemption of Capital Securities.

It is not possible to predict whether any of the circumstances mentioned above will occur and so lead to the circumstances in which the Issuer is able to elect to redeem the Capital Securities, and if so, whether or not the Issuer will elect to exercise such option to redeem the Capital Securities.

If the Issuer redeems the Capital Securities in any of the circumstances mentioned above, there is a risk that the Capital Securities may be redeemed at times when the redemption proceeds are less than the current market value of the Capital Securities or when prevailing interest rates may be relatively low, in which latter case investors may only be able to reinvest the redemption proceeds in securities with a lower yield. Potential investors should consider reinvestment risk in light of other investments available at that time.

There is variation or substitution risk in respect of the Capital Securities

The Issuer may (i) if a Tax Event, a CRD IV Capital Event or a Capital Event has occurred and is continuing or (ii) in order to align the Terms and Conditions to best practices published from time to time by the European Banking Authority resulting from its monitoring activities pursuant to article 80 CRR, subject to compliance with any conditions prescribed under Applicable Banking Regulations, including the prior permission of the Competent Authority if required at the relevant time, but without any requirement for the consent or approval of the Holders, substitute the Capital Securities or vary the terms of the Capital Securities provided that they remain or, as appropriate, become compliant with CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time and that such substitution or variation shall not result in terms that are materially less favourable to the Holders (as reasonably determined by the Issuer). Following such variation or substitution the resulting securities must have at least, *inter alia*, the same ranking, interest rate, interest payment dates, redemption rights, existing rights to accrued interest which has not been paid and assigned the same ratings as the Capital Securities. Nonetheless, no assurance can be given as to whether any of these changes will negatively affect any particular investor. In addition, the tax and stamp duty consequences of holding such varied or substituted Capital Securities could be different for some categories of investors from the tax and stamp duty consequences of their holding the Capital Securities prior to such variation or substitution. See Condition 6 (*Substitution and Variation*) of the Terms and Conditions of the Capital Securities.

The Competent Authority has discretion as to whether or not it will approve any substitution or variation of the Capital Securities, if such permission is prescribed under the then Applicable Banking Regulations. Any such substitution or variation which is considered by the Competent Authority to be material shall be treated by it as the issuance of a new instrument. Therefore, the Capital Securities, as so substituted or varied, must be eligible as Additional Tier 1 Capital in accordance with the then prevailing Applicable Banking Regulations, which may include a requirement that (save in certain prescribed circumstances) the Capital Securities may not be redeemed or repurchased prior to five years after the effective date of such substitution or variation.

The Capital Securities are subject to modification, waivers and substitution

The Terms and Conditions of the Capital Securities contain provisions for convening meetings of Holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Holders including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority.

The Terms and Conditions of the Capital Securities also provide that the Agent may, without the consent of Holders, agree to (i) any modification (not being a modification requiring the approval of a meeting of Holders) of the Agency Agreement which is not materially prejudicial to the interests of Holders or (ii)

any modification of the Capital Securities 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 law.

It is possible that any modified or substitution Capital Securities will contain Conditions that are contrary to the investment criteria of certain investors. Any resulting sale of the Capital Securities, or of the modified or substitution securities, may be adversely affected by market perception of and price movements in the terms of the modified or substitution securities.

The Terms and Conditions of the Capital Securities do not provide for events of default allowing acceleration of the Capital Securities

The Terms and Conditions of the Capital Securities do not provide for events of default allowing acceleration of the Capital Securities if certain events occur, for example if the Issuer fails to pay any amount of interest or principal when due. Also, the Capital Securities cannot cross default based on non-payment on other securities, except where such non-payment on other securities itself results in the winding-up of the Issuer. Accordingly, if the Issuer fails to meet any obligation under the Capital Securities, including the payment of interest or the Prevailing Principal Amount of the Capital Securities following the exercise of a right to redeem the Capital Securities as referred in Condition 5 (*Redemption and Purchase*), such failure will not give the Holder any right to accelerate the Capital Securities. Accrued but unpaid interest will be deemed cancelled (see the risk factor "*In certain circumstances, the Issuer may decide not to pay interest on the Capital Securities or be required by the Terms and Conditions of the Capital Securities not to pay such interest*"). The sole remedy available to the Holder for recovery of amounts owing in respect of due but unpaid Prevailing Principal Amount will be to demand payment of its claim in the winding-up or liquidation of the Issuer. Liquidation or winding-up of the Issuer may take place if any of the events specified in the risk factor "*The Capital Securities constitute deeply subordinated obligations*" above were to occur. See Condition 11 (*Enforcement*). Holders have limited power to invoke the liquidation of the Issuer and will be responsible for taking all steps necessary for submitting claims in any bankruptcy proceedings or voluntary liquidation in relation to any claims they may have against the Issuer.

Subject to the limited circumstances set out in Condition 2.2 (*Subordination*) in liquidation or bankruptcy, no Holder may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Capital Securities.

A reset of the interest rate could affect the market value of an investment in the Capital Securities

The Rate of Interest of the Capital Securities will be reset as from the First Call Date and as from each date which falls five, or an integral multiple of five, years after the First Call Date. Such Rate of Interest will be determined two Business Days prior to the relevant reset date and as such is not pre-defined at the date of issue of the Capital Securities; it may be lower than the Initial Rate of Interest and may adversely affect the yield or market value of the Capital Securities.

Change of law and jurisdiction may impact the Capital Securities

Change of law

No assurance can be given as to the impact of any possible judicial decision or change to Dutch, European or any applicable laws, regulations or administrative practices after the date of this Prospectus. Such changes in law 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. Such tools may include the ability to write off sums otherwise payable on such Capital Securities (see risk factor "*A Holder may lose all of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption occurs*" above).

Also, the Financial Stability Board (the "**FSB**") is contemplating the introduction of a common international standard on the total loss-absorbing capacity ("**TLAC**") for global systemically important banks ("**G-SIBs**"). If introduced as contemplated, the EU or Dutch legislator or regulatory bodies could impose similar requirements on non-G-SIBs. As a result, the TLAC requirement could require the Issuer to maintain a ratio of its regulatory capital plus certain types of TLAC-eligible debt to its assets and

exposures (potentially on a non risk-weighted basis and on a risk-weighted basis), which is significantly higher than current capital requirements under CRD IV.

The TLAC requirement may apply in addition to or replace the minimum requirement for own funds and eligible liabilities ("**MREL**") pursuant to the BRRD. However, based on the most recently updated FSB list of G-SIBs published in November 2014, ABN AMRO does not currently constitute a G-SIB and therefore no TLAC requirements currently apply.

FSB Proposals for Total Loss-Absorbing Capacity

In November 2014, the FSB published a consultation document on policy proposals intended to enhance the loss-absorbing capacity of G-SIBs in resolution. The FSB proposals seek to ensure that G-SIBs will have sufficient loss absorbing capacity available in a resolution of such an entity, in order to minimise any impact on financial stability, ensure the continuity of critical functions and avoid exposing taxpayers to loss. The FSB's proposals also include a specific term sheet for TLAC which attempts to define an internationally agreed standard. The FSB's proposals were endorsed at the G20's Brisbane conference in November 2014.

The FSB's proposals would, if implemented, require all G-SIBs to maintain a minimum Pillar 1 level of TLAC eligible capital within the range of 16-20% of risk exposure amount (alongside minimum regulatory capital requirements), and at a minimum of twice the relevant Basel III leverage requirement, with effect from 1 January 2019. The proposals also suggest that G-SIBs will be required to pre-position such loss-absorbing capacity amongst material subsidiaries on an intra-group basis. The FSB has also proposed that the minimum TLAC requirement should be satisfied before any surplus common equity is available to satisfy CRD IV buffers and the consultation document provides the possibility for local regulators to impose a Pillar II TLAC requirement over and above the Pillar 1 minimum. Based on the most recently updated FSB list of G-SIBs published in November 2014, ABN AMRO does not currently constitute a G-SIB. However, the EU or Dutch legislator could impose similar requirements on non-G-SIBs. The introduction of any such TLAC requirements may impact the Issuer's ability to make payments under the Capital Securities.

According to the consultation document, TLAC may comprise Tier 1 and Tier 2 capital (for the purposes of CRD IV), along with other TLAC-eligible liabilities which can be effectively written down or converted into equity during the resolution of the G-SIB. All TLAC is required to be subordinated to "excluded liabilities", which includes insured deposits and any other liabilities that cannot be effectively written down or converted to equity by the relevant resolution authority.

EBA Consultation Paper on the minimum requirement for own funds and eligible liabilities under BRRD.

On 3 July 2015, the EBA published its final draft regulatory technical standards ("**RTS**") on the criteria for determining the minimum requirement for own funds and eligible liabilities (MREL) under BRRD. In order to ensure the effectiveness of bail-in and other resolution tools introduced by BRRD, BRRD requires that all institutions must meet an individual MREL requirement, calculated as a percentage of total liabilities and own funds and set by the relevant resolution authorities, with effect from 1 January 2016 (or if earlier, the date of national implementation of BRRD). The draft RTS provide for resolution authorities to allow institutions a transitional period of up to four years to reach the applicable MREL requirements.

Unlike the FSB's proposals, the RTS do not set a minimum EU-wide level of MREL, and the MREL requirement applies to all credit institutions, not just to those identified as being of a particular size or of systemic importance. Each resolution authority is required to make a separate determination of the appropriate MREL requirement for each resolution group within its jurisdiction, depending on the resolvability, risk profile, systemic importance and other characteristics of each institution.

The MREL requirement for each institution will be comprised of a number of key elements, including the required loss absorbing capacity of the institution (which will, as a minimum, equate to the institution's capital requirements under CRD IV, including applicable buffers), and the level of recapitalisation needed to implement the preferred resolution strategy identified during the resolution planning process. Other factors to be taken into consideration by resolution authorities when setting the MREL requirement include: the extent to which an institution has liabilities in issue which are excluded from contributing to loss absorption or recapitalisation; the risk profile of the institution; the systemic importance of the

institution; and the contribution to any resolution that may be made by deposit guarantee schemes and resolution financing arrangements.

Items eligible for inclusion in MREL will include an institution's own funds (within the meaning of CRD IV), along with "Eligible Liabilities", meaning liabilities which, inter alia, are issued and fully paid up, have a maturity of at least one year (or do not give the investor a right to repayment within one year), and do not arise from derivatives.

Whilst there are a number of similarities between the MREL requirements and the FSB's proposals or TLAC, there are also certain differences, including the express requirement that TLAC be subordinated to insured deposits (which is not specifically the case for MREL eligible liabilities), and the timescales for implementation. The RTS suggests that the MREL requirements can nevertheless be implemented for G-SIBs in a manner that is consistent with the international framework, and contemplates a possible increase in the MREL requirement over time in order to provide for an adequate transition to compliance with the TLAC requirements (which are currently projected to apply from January 2019). It remains to be seen whether there will be any further convergence in the detailed requirements of the two regimes.

Risks relating to the FSB and EBA proposals

Both the FSB's and the EBA's proposals are in draft form, and may therefore be subject to change. As a result, it is not possible to give any assurances as to the ultimate scope and nature of any resulting obligations, or the impact that they will have on the Issuer once implemented. If the FSB's and EBA's proposals are implemented in their current form however, it is possible that the Issuer may have to issue a significant amount of additional TLAC and MREL eligible liabilities in order to meet the new requirements within the required timeframes. If the Issuer were to experience difficulties in raising TLAC or MREL eligible liabilities, it may have to reduce its lending or investments in other operations which would have a material adverse effect on the Issuer's business, financial position and results. Also, failure to have the adequate level of TLAC or MREL eligible liabilities may impact the Issuer's ability to make payments under the Capital Securities.

Jurisdiction

Prospective investors should note that the courts of The Netherlands shall have jurisdiction in respect of any disputes involving the Capital Securities. Holders may take any suit, action or proceedings arising out of or in connection with the Capital Securities 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 state jurisdiction of prospective investors in its application to the Capital Securities.

Because the Global Capital Security is held on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on the procedures for transfer, payment and communication with the Issuer of Euroclear and Clearstream, Luxembourg and any nominee service providers used by such investors to hold their investment in the Capital Securities

The Capital Securities will be represented by the Temporary Global Security which is exchangeable for the Permanent Global Security. The Global Capital Securities will be held by a common safekeeper for Euroclear and Clearstream, Luxembourg. Holders will not be entitled to receive Definitive Capital Securities, except in certain limited circumstances, as more fully described in the section headed "*Form of the Capital Securities*" below. For as long as the Capital Securities are represented by a Global Capital Security held by a common safekeeper for Euroclear and/or Clearstream, Luxembourg, payments of principal, interest (if any) and any other amounts on the Global Capital Securities will be made through Euroclear and/or Clearstream, Luxembourg (as the case may be) against presentation or surrender (as the case may be) of the relevant Global Capital Security. The bearer of the relevant Global Capital Security, being the common safekeeper for Euroclear and/or Clearstream, Luxembourg, shall be treated by the Issuer and any Paying Agent as the sole holder of the Capital Securities represented by such Global Capital Security with respect to the payment of principal, interest (if any) and any other amounts payable in respect of the Capital Securities. No person other than the holder of such Global Capital Security shall have any claim against the Issuer in respect of any payments due on that Global Capital Security. The term Holder in these risk factors and the Terms and Conditions should be construed accordingly.

Consequently, where a nominee service provider is used by an investor to hold the relevant Capital Securities or such investor holds interests in any Capital Securities through accounts with Euroclear or

Clearstream, Luxembourg, such investor must look solely to Euroclear or Clearstream, Luxembourg and the relevant nominee service provider for its share of each payment made by the Issuer in respect of principal, interest, (if any) or any other amounts due, as applicable, solely on the basis of the arrangements entered into by the investor with the relevant nominee service provider and Euroclear or Clearstream, Luxembourg, as the case may be. Such investor must rely on the relevant nominee service provider or Euroclear or Clearstream, Luxembourg, as the case may be, to distribute all payments attributable to the relevant Capital Securities which are received from the Issuer. Accordingly, such an investor will be exposed to the credit risk of, and default risk in respect of, the relevant nominee service provider or clearing system, as well as the Issuer.

For the purposes of (a) distributing any notices to Holders, (b) recognizing Holders for the purposes of attending and/or voting at any meetings of holders and (c) a notice, following an Enforcement Event, by any Holder in which it is declared that the Capital Security held by a Holder is forthwith due and payable (as described in Condition 11 (*Enforcement*)), the Issuer will recognise as Holders only those persons who are at any time shown as accountholders in the records of Euroclear and/or Clearstream, Luxembourg as persons holding a principal amount of Capital Securities. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Capital Securities. Accordingly, unless it is an accountholder itself, an investor cannot act directly against the Issuer and must rely upon the nominee service provider which is the accountholder with Euroclear and/or Clearstream, Luxembourg through which the investor made arrangements to invest in the Capital Securities, to forward notices received by it from Euroclear and/or Clearstream, Luxembourg, to return the investor's voting instructions or voting certificate application to Euroclear and/or Clearstream, Luxembourg or to forward the notice referred to under (c) above to the Issuer at the specified office of the Agent. Accordingly, such an investor will be exposed to the risk that the relevant nominee service provider or Euroclear and/or Clearstream, Luxembourg may fail to pass on the relevant notice to, or fail to take relevant instructions from, the investor. In addition, such a holder will only be able to trade any Capital Security held by it with the assistance of Euroclear and/or Clearstream, Luxembourg and/or the relevant nominee service provider, as the case may be.

Furthermore, should a Capital Security be accelerated in the limited circumstances described in Condition 11 (*Enforcement*) (see the risk factor "*The Terms and Conditions of the Capital Securities do not provide for events of default allowing acceleration of the Capital Securities*" above) where any Capital Security is still represented by a Global Capital Security, only investors which are accountholders holding their Capital Securities so represented and credited to their account with Euroclear or Clearstream, Luxembourg, will become entitled to proceed directly against the Issuer ("direct rights"). Any other investors in the Capital Securities will have to rely upon the nominee service provider which is the accountholder with Euroclear and/or Clearstream, Luxembourg through which such investor made arrangements to invest in the Capital Securities or should require such nominee service provide to transfer such direct rights to the investor.

None of the Issuer, any Joint Lead Manager or the Agent shall be responsible for the acts or omissions of any relevant nominee service provider or Euroclear or Clearstream, Luxembourg, nor makes any representation or warranty, express or implied, as to the services provided by any relevant nominee service provider or Euroclear or Clearstream, Luxembourg.

Each investor in the Capital Securities must act independently as they do not have the benefit of a trustee

Because the Capital Securities will not be issued pursuant to an indenture or trust deed, investors in the Capital Securities will not have the benefit of a trustee to act upon their behalf and each investor will be responsible for acting independently with respect to certain matters affecting such interests in the Capital Securities, including accelerating the Capital Securities upon the occurrence of an Enforcement Event, and responding to any requests for consents, waivers or amendments.

Definitive Capital Securities where denominations involve integral multiples may be subject to minimum denomination considerations

As the Capital Securities have a denomination consisting of the minimum denomination of €200,000 plus integral multiples of €100,000 in excess thereof up to (and including) €300,000, it is possible that such Capital Securities may be traded in amounts that are not integral multiples of such minimum denomination of €200,000. In such a case a holder who, as a result of trading such amounts, holds an

amount which is less than the minimum denomination of €200,000 in its account with the relevant clearing system at the relevant time may not receive a Definitive Capital Security in respect of such holding (in the limited circumstances in which Definitive Capital Securities could be printed) and would need to purchase a principal amount of Capital Securities such that its holding amounts to €200,000.

If Definitive Capital Securities would ever be issued, holders should be aware that Definitive Capital Securities which have a denomination that is not an integral multiple of minimum denomination of €200,000 may be illiquid and difficult to trade.

Tax consequences of holding the Capital Securities may be complex

Potential purchasers and sellers of the Capital Securities should be aware that they may be required to pay taxes or documentary charges or duties in accordance with the laws and practices of the country where the Capital Securities are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available in relation to the tax treatment of financial instruments such as the Capital Securities. Potential investors are advised not to rely solely upon the tax summary contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Capital Securities. Only such adviser is in a position to duly consider the specific situation of the potential investor. This risk factor should be read in connection with the taxation sections of this Prospectus. See "*Taxation*" below.

The EU Savings Directive may require the collection of withholding tax

If a payment of interest were to be made or collected through a Member State which has opted for a withholding system under EC Council Directive 2003/48/EC and an amount in respect of tax were consequently to be withheld from that payment (see "*Taxation - EU Savings Directive*" below), none of the Issuer or any Paying Agent or any other person would be obliged to pay additional amounts with respect to any Capital Security as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to EC Council Directive 2003/48/EC.

Holders may be subject to withholding tax under FATCA

Under sections 1471-1474 of the United States Internal Revenue Code of 1986 enacted by the United States as part of the HIRE Act in March 2010 (commonly referred to as Foreign Account Tax Compliance Act, ("**FATCA**"), payments may be subject to withholding if the payment is either US source, or a foreign pass thru payment. The Netherlands has concluded an agreement with the United States of America to Improve International Tax Compliance and to Implement FATCA, a so-called IGA. Under this agreement, parties are committed to work together, along with other jurisdictions that have concluded an IGA, to develop a practical and effective alternative approach to achieve the FATCA objectives of foreign pass thru payment and gross proceeds withholding that minimizes burden. The Issuer is established and resident in The Netherlands and therefore benefits from this IGA.

If an amount in respect of FATCA withholding tax were to be deducted or withheld from any payments on the Capital Securities, neither the Issuer nor any paying agent would be required to pay any additional amounts as a result of the deduction or withholding of such tax. As a result, investors who are non-US financial institutions ("**FFI**") that have not entered into an FFI agreement (or otherwise established an exemption from withholding under FATCA), investors that hold Capital Securities through such FFIs or investors that are not FFIs but have failed to provide required information or waivers to an FFI may be subject to withholding tax for which no additional amount will be paid by the Issuer. Holders should consult their own tax advisers on how these rules may apply to payments they receive under the Capital Securities.

Legality of purchase

Neither the Issuer nor any of its affiliates has or assumes responsibility for the lawfulness of the acquisition of the Capital Securities by a prospective investor in the Capital Securities, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it. The Joint Lead Managers are also required to comply with the TMR Rules and as a result of this compliance,

prospective investors will be required to give the representations, warranties, agreements and undertakings as set out on page v of this Prospectus.

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) Capital Securities are legal investments for it, (ii) Capital Securities can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Capital Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Capital Securities under any applicable risk-based capital or similar rules.

An investor's actual yield on the Capital Securities may be reduced from the stated yield by transaction costs

When Capital Securities are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Capital Securities. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, investors must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of securities (direct costs), investors must also take into account any follow-up costs (such as custody fees). Prospective investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Capital Securities before investing in the Capital Securities.

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:

A secondary market may not develop for the Capital Securities

If the Capital Securities are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer.

The Capital Securities may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Capital Securities easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Capital Securities.

Market liquidity in hybrid financial instruments similar to the Capital Securities has historically been limited. In the event an issuer of Additional Tier 1 instruments activates a trigger event or suspends distributions, potential price contagion and volatility to the entire asset class is possible. Moreover, the Issuer's discretion regarding the payment of interest significantly increases uncertainty in the valuation of Additional Tier 1 instruments, this uncertainty might have a negative impact on liquidity and volatility of the Capital Securities.

Moreover, although pursuant to Condition 5.5 (*Purchases*) the Issuer can purchase Capital Securities at any time, the Issuer is not obliged to do so and any such purchase is subject to permission by the competent authority. Purchases made by the Issuer could affect the liquidity of the secondary market of the Capital Securities and thus the price and the conditions under which investors can negotiate these Capital Securities on the secondary market. Furthermore, the Capital Securities may trade with accrued interest, which may be reflected in the trading price of the Capital Securities. However, if a payment of interest on any interest payment date is cancelled (in whole or in part) as described herein and thus is not

due and payable, purchasers of such Capital Securities will not be entitled to such interest payment on the relevant interest payment date.

In addition, investors should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Prospectus), whereby there is a general lack of liquidity in the secondary market which may result in investors suffering losses on the Capital Securities in secondary resales even if there is no decline in the performance of the Capital Securities or the assets of the Issuer. The Issuer cannot predict whether these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Capital Securities and instruments similar to the Capital Securities at that time.

Although application has been made for the Capital Securities to be listed on Euronext Amsterdam, there is no assurance that such application will be accepted or that an active trading market will develop.

The Capital Securities are subject to exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Capital Securities in euro. 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 euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro 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 euro would decrease (i) the Investor's Currency-equivalent yield on the Capital Securities, (ii) the Investor's Currency-equivalent value of the principal payable on the Capital Securities and (iii) the Investor's Currency-equivalent market value of the Capital Securities.

Government and monetary authorities may impose (as some have done in the past) exchange controls 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.

The price of Capital Securities is affected by changes in interest rates

Investment in the Capital Securities involves the risk that subsequent changes in market interest rates may adversely affect the value of the Capital Securities.

The credit ratings of the Capital Securities or the Issuer may not reflect all risks

Each of Standard & Poor's and Fitch has assigned or is expected to assign an expected rating to the Capital Securities. In addition, each of Standard & Poor's, Moody's and Fitch has assigned credit ratings to the Issuer. These ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Capital Securities or the standing of the Issuer. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In addition, there is no guarantee that any rating of the Capital Securities and/or the Issuer will be maintained by the Issuer following the date of this Prospectus. If any rating assigned to the Capital Securities and/or the Issuer is revised lower, suspended, withdrawn or not maintained by the Issuer, the market value of the Capital Securities may be reduced.

The Issuer, the Agent and the Joint Lead Managers may engage in transactions adversely affecting the interests of the holders of Capital Securities

The Agent, the Joint Lead Managers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions. In addition, in the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long

and/or short positions in such securities and instruments. Potential investors should be aware that the interests of the Issuer may conflict with the interests of the holders of the Capital Securities. Moreover, investors should be aware that the Issuer, acting in whatever capacity, will not have any obligations vis-à-vis investors and, in particular, it will not be obliged to protect the interests of investors.

OVERVIEW

This overview must be read as an introduction to this Prospectus and any decision to invest in any Capital Securities should be based on a consideration of this Prospectus as a whole, including the documents incorporated by reference. The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus.

Words and expressions defined in "*Terms and Conditions of the Capital Securities*" and "*Form of the Capital Securities*" below, respectively, shall have the same meanings in this overview.

Issuer:	ABN AMRO Bank N.V.
Joint Lead Managers:	ABN AMRO Bank N.V., Citigroup Global Markets Limited, Goldman Sachs International, HSBC Bank plc, Morgan Stanley & Co. International plc and UBS Limited
Co-Lead Managers:	Commerzbank Aktiengesellschaft, Natixis and Société Générale
The Capital Securities:	€1,000,000,000 Undated Deeply Subordinated Additional Tier 1 Fixed Rate Resettable Callable Capital Securities
Agent:	ABN AMRO Bank N.V.
Issuing and Paying Agent:	ABN AMRO Bank N.V.
Currency:	Euro
Issue Price:	100 per cent of the principal amount of the Capital Securities
Issue Date:	22 September 2015
Form:	The Capital Securities are in bearer new global note ("NGN") form and will initially be represented by a Temporary Global Capital Security which will be deposited on the Issue Date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. The Temporary Global Capital Security will be exchangeable as described therein for a Permanent Global Capital Security not earlier than 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership. The Permanent Global Capital Security will be exchangeable for definitive Capital Securities only upon the occurrence of an Exchange Event and if permitted by applicable law, all as described in " <i>Form of the Capital Securities</i> " below. Any interest in a Global Capital Security will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg.
Maturity Date:	The Capital Securities are perpetual and have no fixed maturity date.
Denominations:	€200,000 and integral multiples of €100,000 in

excess thereof up to (and including) €300,000.

Status:

The Capital Securities constitute unsecured and deeply subordinated obligations of the Issuer.

The rights and claims (if any) of Holders to payment of the Prevailing Principal Amount of the Capital Securities and any other amounts in respect of the Capital Securities (including any accrued interest or damages awarded for breach of any obligations under the Conditions, if any are payable) shall in the event of the liquidation, bankruptcy or Moratorium of the Issuer rank, subject to any rights or claims which are mandatorily preferred by law,

- (a) junior to the rights and claims of creditors in respect of Senior Obligations (including Tier 2 instruments), present and future;
- (b) *pari passu* without any preference among themselves and with all rights and claims of creditors in respect of Parity Obligations, present and future; and
- (c) senior only to the rights and claims of creditors in respect of Junior Obligations, present and future.

By virtue of such subordination, payments to a Holder will, in the event of the liquidation, bankruptcy or Moratorium of the Issuer, only be made after, and any set-off by a Holder shall be excluded until, all Senior Obligations of the Issuer have been satisfied.

Interest:

Subject as described under "Interest Cancellation" below, interest will accrue on the outstanding Prevailing Principal Amount of the Capital Securities on a non-cumulative basis:

- (a) from (and including) the Issue Date to (but excluding) the First Call Date, at a fixed rate of 5.750% per annum; and
- (b) from (and including) the First Call Date and thereafter, at a fixed rate per annum reset on each Reset Date based on the prevailing 5-year Mid-Swap Rate plus 5.452 per cent,

payable semi-annually in arrear in equal instalments on 22 March and 22 September of each year.

Interest Cancellation:

The Issuer may, in its sole discretion (but subject at all times to the requirements for mandatory cancellation of interest payments), elect to cancel any interest payment (in whole or in part) which is

otherwise due to be paid.

Further, the Issuer shall cancel (in whole or in part, as applicable) any interest payment otherwise due to be paid to the extent that:

- (a) the payment of such interest, when aggregated with any interest payments or distributions paid or scheduled for payment on all other own funds instruments (excluding any Tier 2 instruments), would cause the amount of Distributable Items (if any) then available to the Issuer to be exceeded; or
- (b) the payment of such interest would cause, when aggregated together with other distributions of the kind referred to in article 3:62b Wft (implementing article 141(2) CRD IV Directive), the Maximum Distributable Amount (if any) then applicable to the Issuer to be exceeded.

Any interest (or part thereof) not paid by reason of cancellation above shall be cancelled and shall not:

- (i) accumulate or be payable at any time thereafter and Holders shall have no further rights or claims in respect of any interest (or part thereof) not paid, whether in the case of bankruptcy, a Moratorium, liquidation or the dissolution of the Issuer or otherwise;
- (ii) constitute an event of default of the Issuer or a breach of the Issuer's other obligations or duties or a failure to perform by the Issuer in any manner whatsoever;
- (iii) entitle the Holders to any compensation or to take any action to cause the bankruptcy, liquidation, dissolution or winding up of the Issuer; or
- (iv) in any way impose restrictions on the Issuer, including (but not limited to) restricting the Issuer from making any distribution or equivalent payment in connection with Junior Obligations or Parity Obligations.

Trigger Event:

A "**Trigger Event**" will occur if as at any Quarterly Financial Period End Date or an Anytime Calculation Date (i) the Issuer CET1 Ratio is less than 5.125 per cent and/or (ii) the Group CET1 Ratio is less than 7 per cent.

Principal Write-down:

On a Trigger Event Write-down Date, the Issuer shall:

- (a) irrevocably cancel all interest accrued on each Capital Security up to (and

including) the Trigger Event Write-down Date (whether or not the same has become due at such time); and

- (b) irrevocably reduce the then Prevailing Principal Amount of each Capital Security by the relevant Write-down Amount (such reduction being referred to as a "**Principal Write-down**", and "**Written Down**" being construed accordingly) with effect from the Trigger Event Write-down Date, such Principal Write-down to be effected, save as may be otherwise required by Applicable Banking Regulations and/or the Competent Authority, subject to Condition 7.1(e) (*Other Loss Absorbing Instruments*), *pro rata* and concurrently with the Principal Write-down of the other Capital Securities and the write-down or conversion into equity (as the case may be) of the then prevailing principal amount of any Similar Loss Absorbing Instruments.

"Write-down Amount" means, on any Trigger Event Write-down Date, the amount by which the then Prevailing Principal Amount of each outstanding Capital Security is to be Written Down and which is calculated per Calculation Amount of such Capital Security, being the minimum of:

- (i) the amount per Calculation Amount (together with, subject to Condition 7.1(e) (*Other Loss Absorbing Instruments*), the concurrent *pro rata* Principal Write-down of the other Capital Securities and the write-down or conversion into equity of the prevailing principal amount of any Similar Loss Absorbing Instruments that would be sufficient to immediately restore the Issuer CET1 Ratio to not less than 5.125 per cent and the Group CET1 Ratio to not less than 7 per cent; or
- (ii) if the amount determined in accordance with (i) above would be insufficient to restore the Issuer CET1 Ratio to 5.125 per cent and the Group CET1 Ratio to 7 per cent (as applicable), the amount necessary to reduce the Prevailing Principal Amount of the Capital Security to one cent.

A Principal Write-down may occur on one or more occasions and accordingly the Capital Securities may be Written Down on one or more occasions (provided, however, that the principal amount of a Capital Security shall never be reduced to below one cent).

Any Principal Write-down of the Capital Securities

shall not:

- (a) constitute an event of default of the Issuer or a breach of the Issuer's other obligations or duties or a failure to perform by the Issuer in any manner whatsoever;
- (b) constitute the occurrence of any event related to the insolvency of the Issuer or entitle the Holders to any compensation or to take any action to cause the bankruptcy, liquidation, dissolution or winding up of the Issuer.

The Holders shall have no further rights or claims against the Issuer (whether in the case of bankruptcy, a Moratorium, liquidation or the dissolution of the Issuer or otherwise) with respect to any interest cancelled and any principal Written Down (including, but not limited to, any right to receive accrued but unpaid and future interest or any right of repayment of principal, but without prejudice to their rights in respect of any reinstated principal following a Principal Write-up as described under "Principal Write-up" below).

Principal Write-up:

Subject to compliance with the Applicable Banking Regulations, if a positive Net Profit is recorded (a "**Return to Financial Health**") at any time while the Prevailing Principal Amount is less than the Original Principal Amount, the Issuer may, at its full discretion but subject to the Maximum Distributable Amount (when aggregated together with other distributions of the Issuer of the kind referred to in article 3:62b Wft (implementing article 141(2) CRD IV Directive)) not being exceeded thereby, increase the Prevailing Principal Amount of each Capital Security (a "**Principal Write-up**") up to a maximum of its Original Principal Amount on a *pro rata* basis with the other Capital Securities and with any other Discretionary Temporary Write-down Instruments (based on the then prevailing principal amounts thereof), provided that the Maximum Write-up Amount is not exceeded.

The "**Maximum Write-up Amount**" means the Net Profit (i) multiplied by the aggregate issued original principal amount of all Written-Down Additional Tier 1 Instruments, and (ii) divided by the Tier 1 Capital of the Issuer as at the date of the then most recent Quarterly Financial Period End Date, both (i) and (ii) as calculated on a solo-consolidated, sub-consolidated or consolidated basis (as applicable).

Statutory Loss Absorption:

The Capital Securities may become subject to the determination by the relevant Resolution Authority or the Issuer (following instructions from the

relevant Resolution Authority) that all or part of the principal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be written off or converted into CET1 instruments or otherwise be applied to absorb losses, all as prescribed by the Applicable Resolution Framework ("**Statutory Loss Absorption**"). Upon any such determination, (i) the relevant proportion of the outstanding nominal amount of the Capital Securities subject to Statutory Loss Absorption shall be written off or converted into CET1 instruments or otherwise be applied to absorb losses, as prescribed by the Applicable Resolution Framework (ii) Holders have no further rights or claims, whether in the case of bankruptcy, a Moratorium, liquidation or the dissolution of the Issuer or otherwise in respect of the amount written off or subject to conversion or otherwise as a result such Statutory Loss Absorption, (iii) such Statutory Loss Absorption shall not constitute an Enforcement Event or a breach of the Issuer's other obligations or duties or a failure to perform by the Issuer in any manner whatsoever and (iv) such Statutory Loss Absorption shall not constitute the occurrence of any event related to the insolvency of the Issuer or entitle the Holders to any compensation or to take any action to cause the bankruptcy, liquidation, dissolution or winding-up of the Issuer.

Issuer Call Option on and after the First Call Date:

Subject to Condition 5.6 (*Conditions for Redemption and Purchase*), the Issuer may, at its option, redeem the Capital Securities on 22 September 2020 (the "**First Call Date**") or on any date which falls one year, or a multiple thereof, after the First Call Date, in whole but not in part, at their Prevailing Principal Amount, together with accrued and unpaid interest to, but excluding, the date of redemption (unless cancelled or deemed cancelled).

Tax Call Option:

Subject to Condition 5.6 (*Conditions for Redemption and Purchase*), if, on the occasion of the next payment due under the Capital Securities, a Tax Event has occurred, then the Issuer may, at its option, redeem the Capital Securities in whole (but not in part), at any time at their Prevailing Principal Amount together with accrued and unpaid interest (excluding interest which has been cancelled or deemed cancelled in accordance with these Conditions) to, but excluding, the date of redemption and any additional amounts payable in accordance with Condition 9 (*Taxation*).

The Competent Authority may only permit the Issuer to redeem the Capital Securities before the First Call Date on the occurrence of a Tax Event if, without prejudice to Condition 5.6 (*Conditions for Redemption and Purchase*), the Tax Event constitutes a change in the applicable tax treatment

of the Capital Securities and the Issuer demonstrates to the satisfaction of the Competent Authority that such change is material and was not reasonably foreseeable at the time of their issuance.

"**Tax Event**" means that as a result of, or in connection with, any change in, or amendment to, or proposed amendment to, the laws or regulations of, or applicable in, 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 or the pronouncement by any relevant tax authority that differs from the previously generally accepted position in relation to the Capital Securities, which change or amendment becomes effective on or after the Issue Date (a) the Issuer will not obtain full or substantially full relief for the purposes of Dutch corporation tax for any interest payable under the Capital Securities, or (b) on the occasion of the next payment due under the Capital Securities, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 (*Taxation*).

Regulatory Call Option:

Subject to Condition 5.6 (*Conditions for Redemption and Purchase*), the Issuer may at its option redeem the Capital Securities (in whole but not in part), at any time at their Prevailing Principal Amount, together with interest accrued to but excluding the date of redemption (unless cancelled or deemed cancelled) upon the occurrence of a Capital Event.

The Competent Authority may only permit the Issuer to redeem the Capital Securities before the First Call Date on the occurrence of a Capital Event if, without prejudice to Condition 5.6 (*Conditions for Redemption and Purchase*) below, the Competent Authority considers the Capital Event sufficiently certain and the Issuer demonstrates to the satisfaction of the Competent Authority that the Capital Event was not reasonably foreseeable at the time of their issuance.

A "**Capital Event**" shall occur if there is a change in the regulatory classification of the Capital Securities that has resulted or would be likely to result in the Capital Securities being excluded, in whole, or, if permitted by Applicable Banking Regulations, in part, from the Additional Tier 1 Capital of the Issuer or reclassified as a lower quality form of own funds of the Issuer (in each case on a solo-consolidated, sub-consolidated or a consolidated basis), which change in regulatory classification (or reclassification) becomes effective on or after the Issue Date. For the avoidance of doubt, a Capital Event shall not be deemed to have occurred in case of a partial exclusion of the Capital Securities as a result of (i)

a Principal Write-down or (ii) a change in the regulatory assessment of the tax effects of a Principal Write-down.

Conditions for Redemption and Purchase:

Any optional redemption of Capital Securities and any purchase of Capital Securities is, *inter alia*, subject to:

- (a) the Competent Authority having given its prior written permission to such redemption or purchase; and
- (b) the Issuer having demonstrated to the satisfaction of the Competent Authority that the Issuer complies with article 78 CRR (or any equivalent or substitute provision under Applicable Banking Regulations), which may include the replacement of the Capital Securities with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer.

Following the occurrence of a Principal Write-down, the Issuer shall not be entitled to redeem the Capital Securities through exercising its Issuer Call Option until the principal amount of the Capital Securities is increased up to their Original Principal Amount pursuant to conditions for Principal Write-up.

Taxation:

All payments of principal and interest in respect of the Capital Securities will be made without withholding or deducting taxes of The Netherlands, unless such withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts as will result in the Holders receiving such amounts of interest as they would have received in respect of the Capital Securities had no such withholding been required, subject to certain exceptions, as provided in Condition 9 (*Taxation*).

Substitution and Variation:

The Issuer may (i) if a CRD IV Capital Event, a Capital Event or a Tax Event has occurred and is continuing or (ii) in order to align the Terms and Conditions to best practices published from time to time by the European Banking Authority resulting from its monitoring activities pursuant to article 80 CRR, subject to compliance with any conditions prescribed under Applicable Banking Regulations, including the prior permission of the Competent Authority (if required), at its option, without any requirement for the consent or approval of the Holders, substitute all (but not some only) of the Capital Securities or vary the terms of all (but not some only) of the Capital Securities provided that they remain or, as appropriate, become compliant with CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time and that

such substitution or variation shall not result in terms that are materially less favourable to the Holders (as reasonably determined by the Issuer).

Following such variation or substitution the resulting securities must have at least, *inter alia*, the same ranking, interest rate, redemption rights, existing rights to accrued interest which has not been paid and assigned the same ratings as the Capital Securities.

A "**CRD IV Capital Event**" is deemed to have occurred if the whole of the outstanding nominal amount of the Capital Securities can no longer be included in full in the Additional Tier 1 Capital of the Issuer (on a solo-consolidated, sub-consolidated or consolidated basis) by reason of their non-compliance with CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time.

Purchases:

The Issuer or any of its subsidiaries may at their option, subject to Condition 5.6 (*Conditions for Redemption and Purchase*) (as applicable), at any time purchase Capital Securities in the open market or otherwise and at any price. Such Capital Securities may be held, re-issued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

Enforcement:

Any failure by the Issuer to pay interest or the Prevailing Principal Amount when due in respect of the Capital Securities shall not constitute an event of default and does not give Holders any right to demand repayment of the Prevailing Principal Amount.

If any of the following events shall have occurred and be continuing:

- (a) the Issuer is declared bankrupt (*failliet*), or a declaration in respect of the Issuer is made under article 3:163(1)(b) Wft; or
- (b) 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 Capital Securities,

then any Holder may declare its Capital Securities to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Prevailing Principal Amount and any accrued but unpaid interest from the previous Interest Payment Date up to (but excluding) the date of repayment (unless cancelled or deemed cancelled) provided

that repayment of Capital Securities will only be effected after the Issuer has obtained the prior written permission of the Competent Authority (provided that at the relevant time such permission is required).

No other remedy against the Issuer shall be available to the Holders, whether for recovery of amounts owing in respect of the Capital Securities or in respect of any breach by the Issuer of any of its obligations under or in respect of the Capital Securities.

Meetings of Holders and Modification:

The Agency Agreement contains provisions for convening meetings of the Holders to consider matters relating to the Capital Securities, including the sanctioning by an Extraordinary Resolution of a modification of the Capital Securities or certain provisions of the Agency Agreement.

Subject to obtaining the permission therefore from the Competent Authority if so required, the Agent and the Issuer may agree, without the consent of the Holders, to:

- (a) any modification (except as mentioned above) of the Agency Agreement which is not materially prejudicial to the interests of the Holders; or
- (b) any modification of the Capital Securities 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 law.

Governing Law:

The Capital Securities and the Agency Agreement will be governed by, and construed in accordance with, the laws of The Netherlands.

Ratings:

The Capital Securities are expected to be rated BB by Standard & Poor's and BB+ by Fitch. Each of Standard & Poor's and Fitch is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). A 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.

Listing and Admission to Trading:

Application has been made to list the Capital Securities on Euronext Amsterdam.

Selling Restrictions:

There are selling restrictions in relation to the United Kingdom, the United States and Japan, see "*Subscription and Sale*" below.

The Issuer is Category 2 for the purposes of Regulation S under the U.S. Securities Act of 1933,

as amended. The TEFRA D Rules shall apply.

Risk Factors:

There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Capital Securities. These include risks relating to the Issuer's business, which are included in "*Risk Factors*" in the Registration Document which is incorporated by reference in this Prospectus. In addition, there are factors which are material for the purpose of assessing the market risks associated with the Capital Securities. These include the fact that the Capital Securities may not be a suitable investment for all investors and certain market risks, see "*Risk Factors*" above.

Use of Proceeds:

The net proceeds of the issue of the Capital Securities are expected to amount to approximately €993,000,000 (excluding certain fees and expenses) and will be applied by the Issuer for its general corporate purposes, which include making a profit and/or hedging certain risks. They will strengthen the Issuer's Tier 1 capital base under a fully loaded CRD IV approach.

Clearing Systems:

Euroclear and Clearstream, Luxembourg

ISIN:

XS1278718686

Common Code:

127871868

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Prospectus and have been filed with the AFM shall be deemed to be incorporated in, and to form part of, this Prospectus:

- (a) the registration document of the Issuer dated 28 May 2015 and as supplemented on 24 August 2015 and 15 September 2015 (the "**Registration Document**") including, for the purpose of clarity, the following items incorporated by reference therein:
- (b) the articles of association of the Issuer;
- (c) ABN AMRO Group N.V.'s publicly available audited consolidated annual financial statements for the financial year ended 31 December 2014 (as set out on pages 258 to 265 in relation to the financial statements 2014, including the notes to the financial statements as set out on pages 266 to 372, pages 87 to 210 (certain information in the Risk & Capital Report), and the auditors' report thereon on pages 376 to 382, all as included in ABN AMRO Group N.V.'s Annual Report 2014, the "**Annual Report 2014**") (the "**Consolidated Annual Financial Statements 2014**");
- (d) the Section "*Strategic Priorities*" of the Strategic Report on pages 17 to 21, the Sections "*Business Review*" and "*Financial Review*" of the Business Report on pages 31 to 75, the Risk & Capital Report on pages 87 to 210, the Section "*Definitions of important terms*" on pages 383 to 388, the Section "*Abbreviations*" on pages 389 and 390 and the Section "*Cautionary statements*" on page 392, all as included in the Annual Report 2014;
- (e) ABN AMRO Group N.V.'s publicly available audited consolidated annual financial statements for the financial year ended 31 December 2013 (as set out on pages 243 through 251 in relation to the financial statements 2013, including the notes to the financial statements as set out on pages 252 through 366 and the information marked as audited in Chapter 15 (*Risk management*) on pages 132 through 213, in Chapter 16 (*Capital management*) on pages 214 through 222, in Chapter 17 (*Liquidity & funding*) on pages 223 through 237 and in Chapter 18 (*Securitisation*) on pages 238 through 242 and the auditors' report thereon on pages 370 through 373, all as included in ABN AMRO Group N.V.'s Annual Report 2013, the "**Annual Report 2013**") (the "**Consolidated Annual Financial Statements 2013**" and together with the Consolidated Annual Financial Statements 2014, the "**Consolidated Annual Financial Statements**");
- (f) Chapter 10 (*Strategy*) on pages 60 through 66, Chapter 14 (*Introduction to Risk & Capital management*) on pages 125 through 131, Chapter 15 (*Risk management*) on pages 132 through 213, Chapter 16 (*Capital management*) on pages 214 through 222, Chapter 17 (*Liquidity & funding*) on pages 223 through 237, Chapter 18 (*Securitisation*) on pages 238 through 242, Chapter 22 (*Definitions of important terms*) on pages 382 through 387, Chapter 23 (*Abbreviations*) on pages 388 through 390 and Chapter 24 (*Cautionary statement on forward-looking statements*) on pages 391 and 392 of the Annual Report 2013,
- (g) ABN AMRO Bank N.V.'s publicly available audited consolidated annual financial statements for the financial year ended 31 December 2014, as set out on pages 257 to 265 in relation to the financial statements 2014, including the notes to the financial statements as set out on pages 266 to 371, pages 87 to 210 (certain information in the Risk & Capital Report), and the auditors' report thereon on pages 377 to 383, all as included in ABN AMRO Bank N.V.'s Annual Report 2014;
- (h) the Issuer's publicly available unaudited abbreviated statutory financial statements 2013 for the financial year ended 31 December 2013 prepared on the basis of article 2:403 of the Dutch Civil Code (*Burgerlijk Wetboek*);

- (i) the quarterly report titled "*Quarterly Report first quarter 2015*" dated 13 May 2015. The information set out therein is unaudited;
- (j) ABN AMRO Group N.V.'s report titled "*Interim Report & Quarterly Report Second Quarter 2015 ABN AMRO Group N.V.*" for the first half of the financial year ended 30 June 2015 excluding the specific chapters titled: "*Message from the Chairman of the Managing Board*", "*Economic environment*", "*Responsibility statement*", "*Review report*" and "*Enquiries*";
- (k) ABN AMRO Bank N.V.'s report titled "*Interim Financial Report 2015 ABN AMRO Bank N.V.*" for the first half of the financial year ended 30 June 2015 excluding the specific chapters titled: "*Responsibility statement*" and "*Enquiries*";
- (l) the press release titled: "*Change in Tier 2 eligibility lowers regulatory total capital ratio. CET1 and loss absorbing capacity remain unaffected*" dated 10 August 2015. The information set out therein is unaudited; and
- (m) the press release titled: "*ABN AMRO revises its financial targets upward*" dated 9 September 2015. The information set out therein is unaudited,

save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

Any information contained in any of the documents specified above which is not incorporated by reference in this Prospectus is either not relevant to investors or is covered elsewhere in this Prospectus.

The Issuer will provide, without charge, to each person to whom a copy of this Prospectus has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference. Requests for such documents should be directed to the Issuer at its registered office at: Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands, by telephone: +31 20 6282 282 or by e-mail: investorrelations@abnamro.com. Such documents can also be obtained in electronic form from the Issuer's website (<http://www.abnamro.com/en/investor-relations/debt-investors/capital/index.html>). The other information included on or linked to through this website or in any website referred to in any document incorporated by reference into this Prospectus is not a part of this Prospectus.

TERMS AND CONDITIONS OF THE CAPITAL SECURITIES

Introduction

The €1,000,000,000 Undated Deeply Subordinated Additional Tier 1 Fixed Rate Resettable Callable Securities (the "**Capital Securities**", which expression shall in these Terms and Conditions (the "**Conditions**"), unless the context otherwise requires, include any further capital securities issued pursuant to Condition 17 (*Further Issues*) and forming a single series with the Capital Securities) of ABN AMRO Bank N.V. (the "**Issuer**", which expression shall include any substituted debtor or transferee pursuant to Condition 8 (*Statutory Loss Absorption*)) have the benefit of an agency agreement dated the Issue Date (such agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") made between the Issuer, ABN AMRO Bank N.V. as issuing and principal paying agent and agent bank (in such capacity the "**Agent**" which expression shall include any successor Agent) and any other paying agents appointed pursuant to the Agency Agreement (together with the Agent, the "**Paying Agents**", which expression shall include any successor or additional paying agent appointed from time to time in connection with the Capital Securities).

References herein to the Capital Securities shall mean (i) in relation to any Capital Securities represented by a global Capital Security (a "**Global Capital Security**"), units of the lowest specified denomination, (ii) definitive Capital Securities issued in exchange (or part exchange) for a Global Capital Security and (iii) any Global Capital Security.

Any reference herein to Coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons. Any reference herein to "**Holders**" shall mean the holders of the Capital Securities, and shall, in relation to any Capital Securities represented by a Global Capital Security, be construed as provided below. Any reference herein to "**Couponholders**" shall mean the holders of the Coupons (as defined below), and shall, unless the context otherwise requires, include the holders of the Talons (as defined below).

Copies of the Agency Agreement are available for viewing at the Specified Offices (as defined in the Agency Agreement) of each of the Agent and the other Paying Agents, the original Specified Offices of which are set out below, and at the registered offices of the Issuer and of the Agent and copies may be obtained from those offices. The Holders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement which are binding on them.

Words and expressions defined in the Agency Agreement shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated.

1. Form, Denomination and Title

The Capital Securities are in bearer form and, in the case of definitive Capital Securities, serially numbered and with interest coupons ("**Coupons**") and talons for further Coupons ("**Talons**") attached.

Subject as set out below, title to the Capital Securities and Coupons will pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer, the Agent and the Paying Agents may deem and treat the bearer of any Capital Security 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 Capital Security, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Capital Securities is represented by a Global Capital Security held on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and/or Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**" and together with Euroclear; the "**Securities Settlement System**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of the Securities Settlement System as the holder of a particular nominal amount of such Capital Securities (in which regard any certificate or other document issued by the Securities Settlement System as to the nominal amount of Capital Securities 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 the Paying Agents as the holder of such nominal amount of such Capital Securities for all purposes other than with respect to the payment of principal or interest on the Capital Securities, for which purpose the bearer of the relevant Global Capital Security shall be treated by the Issuer and the Paying Agents as the holder of such Capital Securities in accordance with and subject to the terms of the relevant Global Capital Security (and the expression "**Holder**" and related expressions shall be construed accordingly). Capital Securities which are represented by a Global Capital Security held by a common depository or a common safekeeper for the Securities Settlement System will be transferable only in accordance with the rules and procedures for the time being of the Securities Settlement System.

The Capital Securities are issued in denominations of €200,000 and integral multiples of €100,000 in excess thereof up to (and including) €300,000 and can only be settled through the Securities Settlement System in nominal amounts equal to a whole denomination (or a whole multiple thereof).

2. Status of the Capital Securities

2.1 Status

The Capital Securities and Coupons constitute unsecured and deeply subordinated obligations of the Issuer. The rights and claims of the Holders and Couponholders are subordinated as described in Condition 2.2 (*Subordination*).

2.2 Subordination

The rights and claims (if any) of the Holders and Couponholders to payment of the Prevailing Principal Amount of the Capital Securities and any other amounts in respect of the Capital Securities (including any accrued interest or damages awarded for breach of any obligations under these Conditions, if any are payable) shall:

- (i) in the event of the liquidation or bankruptcy of the Issuer; or
- (ii) in the event that a competent court has declared that the Issuer is in a situation which requires special measures (*noodregeling*) in the interests of all creditors, as referred to in Chapter 3.5.5 of the Dutch Act on financial supervision (*Wet op het financieel toezicht*, as modified or re-enacted from time to time, the "**Wft**"), and for so long as such situation is in force (such situation being hereinafter referred to as a "**Moratorium**"),

rank, subject to any rights or claims which are mandatorily preferred by law,

- (i) junior to the rights and claims of creditors in respect of Senior Obligations, present and future;
- (ii) *pari passu* without any preference among themselves and with all rights and claims of creditors in respect of Parity Obligations, present and future; and
- (iii) senior only to the rights and claims of creditors in respect of Junior Obligations, present and future.

By virtue of such subordination, payments to a Holder or Couponholder will, in the event of the

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 Holder or Couponholder shall be excluded until, all Senior Obligations of the Issuer have been satisfied.

2.3 No set-off

Subject to Condition 2.2 (*Subordination*), no Holder or Couponholder may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Capital Securities or Coupons.

3. Interest and interest cancellation

3.1 Interest

(a) Interest rate and Interest Payment Dates

The Capital Securities bear interest on their outstanding Prevailing Principal Amount at the applicable Rate of Interest from (and including) the Issue Date. Subject to cancellation of any interest payment (in whole or in part) pursuant to Condition 3.2 (*Interest cancellation*) or Condition 7 (*Principal Write-down and Principal Write-up*), interest shall be payable semi-annually in arrear in equal instalments on each Interest Payment Date.

The amount of interest per €100,000 in Original Principal Amount payable on each Interest Payment Date will, provided there is no Principal Write-down pursuant to Condition 7 (*Principal Write-down and Principal Write-up*) and subject to any cancellation of interest (in whole or in part) pursuant to Condition 3.2 (*Interest cancellation*), be €2,875.

The Rate of Interest for each Interest Period commencing on or after the First Call Date will be the Reset Rate of Interest applicable to the Reset Period during which such Interest Period falls plus the Margin, converted from an annual basis to a semi-annual basis, all as determined by the Agent. The Agent will, as soon as practicable after 11:00 a.m. (Central European time) on each Reset Rate of Interest Determination Date, determine the applicable Reset Rate of Interest.

(b) Interest Accrual

Subject always to Condition 7 (*Principal Write-down and Principal Write-up*) and to cancellation of interest (in whole or in part) pursuant to Condition 3.2 (*Interest cancellation*), each Capital Security will cease to bear interest from and including its due date for redemption.

(c) Publication of Reset Rate of Interest and amount of interest

The Agent will cause each Reset Rate of Interest and the amount of interest payable per Calculation Amount for each Reset Period commencing on or after the First Call Date determined by it to be notified to each listing authority, stock exchange and/or quotation system (if any) by which the Capital Securities have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but in any event not later than the relevant Reset Date. Notice thereof shall also promptly be given to the Holders in accordance with Condition 15 (*Notices*).

(d) Notifications etc.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 3 (*Interest and interest cancellation*) by the Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents and the Holders and (subject as aforesaid) no liability to any such person will attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(e) *Calculation of interest amounts and any broken amounts*

Save as provided above in respect of equal instalments, the amount of interest payable per Calculation Amount (subject to Condition 7 (*Principal Write-down and Principal Write-up*)) and to cancellation in whole or in part pursuant to Condition 3.2 (*Interest cancellation*)) in respect of each Capital Security for any period (an "**Accrual Period**", being the period from and including the date from which interest begins to accrue to but excluding the date on which it falls due) shall be calculated by the Agent by:

- (i) applying the applicable Rate of Interest to the Calculation Amount;
- (ii) multiplying the product thereof by (A) the actual number of days in the Accrual Period divided by (b) two times the actual number of days from and including the first day of the Accrual Period to but excluding the next following Interest Payment Date; and
- (iii) rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

If the Prevailing Principal Amount of the Capital Securities changes on one or more occasions during any Accrual Period, the Agent shall separately calculate the amount of interest (in accordance with this Condition 3.1(e)) accrued on each Capital Security for each period within such Accrual Period during which a different Prevailing Principal Amount subsists, and the aggregate of such amounts shall be the amount of interest payable (subject to Condition 7 (*Principal Write-down and Principal Write-up*)) and to cancellation in whole or in part pursuant to Condition 3.2 (*Interest cancellation*)) in respect of a Capital Security for the relevant Accrual Period.

3.2 Interest cancellation

(a) *Optional cancellation of interest*

The Issuer may, in its sole discretion (but subject at all times to the requirements for mandatory cancellation of interest payments pursuant to Condition 3.2(b), at any time elect to cancel any interest payment (in whole or in part) which is otherwise due to be paid ("**Optional Cancellation of Interest**").

(b) *Mandatory cancellation of interest*

The Issuer shall cancel (in whole or in part, as applicable) any interest payment otherwise due to be paid to the extent that:

- (i) the payment of such interest, when aggregated with any interest payments or distributions paid or scheduled for payment in the then current Financial Year on all other own funds instruments (excluding any Tier 2 instruments), would cause the amount of Distributable Items (if any) then available to the Issuer to be exceeded; or
- (ii) the payment of such interest would cause, when aggregated together with other distributions of the kind referred to in article 3:62b Wft (implementing article 141(2) CRD IV Directive), the Maximum Distributable Amount (if any) then applicable to the Issuer to be exceeded;

together the "**Mandatory Cancellation of Interest**".

Interest payments may also be cancelled in accordance with Condition 7 (*Principal Write-down and Principal Write-up*).

As used in these Conditions:

"**Distributable Items**" means, subject as otherwise defined in the Applicable Banking Regulations from time to time:

- (i) the amount of the Issuer's profits at the end of the financial year immediately

preceding the financial year in which the relevant Interest Payment Date falls plus any profits brought forward and reserves available for that purpose before distributions to holders of own funds instruments (excluding, for the avoidance of doubt, any Tier 2 instruments); less

- (ii) any losses brought forward, profits which are non-distributable pursuant to applicable Dutch law or the Issuer's articles of association (*statuten*) and sums placed to non-distributable reserves in accordance with applicable Dutch law or the Issuer's articles of association (*statuten*),

those profits, losses and reserves being determined on the basis of the Issuer's non-consolidated accounts.

"Maximum Distributable Amount" means any maximum distributable amount (*maximaal uitkeerbare bedrag*) relating to the Issuer required to be calculated pursuant to article 3:62b Wft (implementing article 141(2) CRD IV Directive).

(c) *Notice of cancellation of interest*

Upon the Issuer electing (pursuant to Condition 3.2(a)) or determining that it shall be required (pursuant to Condition 3.2(b)) to cancel (in whole or in part) any interest payment, the Issuer shall as soon as reasonably practicable give notice to the Holders in accordance with Condition 15 (*Notices*), specifying the amount of the relevant cancellation and, accordingly, the amount (if any) of the relevant interest that will be paid on the relevant Interest Payment Date; provided, however, that any failure to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such cancellation or deemed cancellation of interest, or give Holders any rights as a result of such failure.

In the absence of such notice being given, if the Issuer does not make an interest payment on the relevant due date (or if the Issuer elects to make a payment of a portion, but not all, of such interest payment), such non-payment shall evidence the Issuer's exercise of its discretion or obligation to cancel such interest payment (or the portion of such interest payment not paid), and accordingly such interest (or the portion thereof not paid) shall not be due and payable.

If the Issuer provides notice to cancel a portion, but not all, of an interest payment and the Issuer subsequently does not make a payment of the remaining portion of such interest on the relevant interest payment date, such non-payment shall evidence the Issuer's exercise of its discretion to cancel such remaining portion of interest, and accordingly such remaining portion of interest shall also not be due and payable.

(d) *Interest non-cumulative; no event of default*

Any interest (or part thereof) not paid by reason of Optional Cancellation of Interest or Mandatory Cancellation of Interest above shall be cancelled and shall not:

- (i) accumulate or be payable at any time thereafter and Holders shall have no further rights or claims in respect of any interest (or part thereof) not paid, whether in the case of bankruptcy (*faillissement*), a Moratorium, liquidation (*liquidatie*) or the dissolution (*ontbinding en vereffening*) of the Issuer or otherwise;
- (ii) constitute an event of default of the Issuer or a breach of the Issuer's other obligations or duties or a failure to perform by the Issuer in any manner whatsoever;
- (iii) entitle the Holders to any compensation or to take any action to cause the bankruptcy (*faillissement*), liquidation (*liquidatie*), dissolution or winding up (*ontbinding en vereffening*) of the Issuer;

- (iv) in any way impose restrictions on the Issuer, including (but not limited to) restricting the Issuer from making any distribution or equivalent payment in connection with Junior Obligations or Parity Obligations.

4. Payments

(a) *Principal*

Payments of principal shall be made only against presentation and (*provided that* payment is made in full) surrender of Capital Securities at the Specified Office of any Paying Agent outside the United States by Euro cheque drawn on, or by transfer to a Euro account (or other account to which Euro may be credited or transferred) maintained by the payee with, a bank in a city in which banks have access to the TARGET System.

(b) *Interest*

Payments of interest shall, subject to paragraph (g) (*Payments other than in respect of matured Coupons*) below, be made only against presentation and (*provided that* payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) (*Principal*) above.

(c) *Global Form*

Payments of principal and interest (if any) in respect of Capital Securities represented by a Global Capital Security will (subject as provided below) be made in the manner specified above in relation to definitive Capital Securities and otherwise in the manner specified in the relevant Global Capital Security, where applicable, against presentation or surrender, as the case may be, of such Global Capital Security at the Specified Office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made on such Global Capital Security either by such Paying Agent to which it was presented or in the records of relevant Securities Settlement System.

The holder of a Global Capital Security shall be the only person entitled to receive payments in respect of Capital Securities represented by such Global Capital Security and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Capital Security in respect of each amount so paid. Each of the persons shown in the records of relevant Securities Settlement System as the beneficial holder of a particular nominal amount of Capital Securities represented by such Global Capital Security must look solely to the relevant Securities Settlement System, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Capital Security. No person other than the holder of such Global Capital Security shall have any claim against the Issuer in respect of any payments due on that Global Capital Security.

(d) *Payments subject to fiscal or other laws*

All payments in respect of the Capital Securities are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*).

(e) *Deduction for unmatured Coupons*

If a Capital Security is presented without all unmatured Coupons relating thereto, then:

- (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; *provided, however, that* if the gross amount available for payment is less than the amount of

principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
 - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; *provided, however, that* where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
 - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; *provided, however, that*, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) (*Principal*) above against presentation and (*provided that* payment is made in full) surrender of the relevant missing Coupons at any time before the expiry of ten years after the Relevant Date (as defined in Condition 9.1 (*Payment without Withholding*)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10 (*Prescription*)) or, if later, five years from the date on which such Coupon would otherwise have become due. No payments will be made in respect of void Coupons.

(f) *Payments on business days*

If the due date for payment of any amount in respect of any Capital Security or Coupon is not a business day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding business day in such place and shall not be entitled to any further interest or other payment in respect of any such delay. In this paragraph, "**business day**" means, in respect of any place of presentation, any day on which banks are open for presentation and payment of bearer debt securities and for dealings in foreign currencies in such place of presentation and, in the case of payment by transfer to a Euro account as referred to above, on which the TARGET System is open, provided that so long as the Global Securities are represented by a Global Capital Security held on behalf of the Securities Settlement System, "**business day**" means any day on which the TARGET System is open.

(g) *Payments other than in respect of matured Coupons*

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Capital Securities at the Specified Office of any Paying Agent outside the United States.

(h) *Partial payments*

If a Paying Agent makes a partial payment in respect of any Capital Security or Coupon presented to

it for payment, such Paying Agent will endorse thereon a statement indicating the amount and the date of such payment.

(i) *Interpretation*

In these Conditions "**TARGET Settlement Day**" means any day on which the TARGET System is open for the settlement of payments in euro.

5. Redemption and Purchase

5.1 No fixed maturity

The Capital Securities are perpetual and have no fixed maturity date. The Capital Securities will become repayable only as provided in this Condition 5 (*Redemption and Purchase*) and in Condition 11 (*Enforcement*).

5.2 Redemption at the Option of the Issuer

Subject to Condition 5.6 (*Conditions for Redemption and Purchase*), the Issuer may, at its option, having given:

(a) not less than 15 nor more than 30 days' notice to the Holders in accordance with Condition 15 (*Notices*); and

(b) notice to the Agent not less than 15 days before the giving of the notice referred to in (a),

(which notices shall, subject as provided in Condition 5.6 (*Conditions for Redemption and Purchase*), be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Capital Securities on the First Call Date or on any date which falls one year, or a multiple thereof, after the First Call Date at their Prevailing Principal Amount, together with accrued and unpaid interest (excluding interest which has been cancelled or deemed cancelled in accordance with these Conditions) to, but excluding, the date of redemption and any additional amounts payable in accordance with Condition 9 (*Taxation*).

5.3 Redemption for Taxation Reasons

Subject to Condition 5.6 (*Conditions for Redemption and Purchase*), if, on the occasion of the next payment due under the Capital Securities, a Tax Event has occurred, then the Issuer, after having given not less than 30 nor more than 60 days' notice to the Holders in accordance with Condition 15 (*Notices*) (which notice shall, subject as provided in Condition 5.6 (*Conditions for Redemption and Purchase*), be irrevocable) may, at its option, redeem the Capital Securities in whole (but not in part), at any time at their Prevailing Principal Amount together with accrued and unpaid interest (excluding interest which has been cancelled or deemed cancelled in accordance with these Conditions) to, but excluding, the date of redemption and any additional amounts payable in accordance with Condition 9 (*Taxation*).

The Competent Authority may only permit the Issuer to redeem the Capital Securities before the First Call Date on the occurrence of a Tax Event if, without prejudice to Condition 5.6 (*Conditions for Redemption and Purchase*) below, the Tax Event constitutes a change in the applicable tax treatment of the Capital Securities and the Issuer demonstrates to the satisfaction of the Competent Authority that such change is material and was not reasonably foreseeable at the time of their issuance.

"**Tax Event**" means that as a result of, or in connection with, any change in, or amendment to, or proposed amendment to, the laws or regulations of, or applicable in, 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 or the pronouncement by any relevant tax authority that differs from the previously generally accepted position in relation to the Capital Securities, which change or amendment becomes effective on or after the Issue Date (a) the Issuer will not obtain full or substantially full relief for the purposes of Dutch corporation tax for any interest payable under the Capital Securities, or (b) on the occasion of the next payment due under the Capital Securities, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 (*Taxation*).

5.4 Redemption upon a Capital Event

Subject to Condition 5.6 (*Conditions for Redemption and Purchase*), upon the occurrence of a Capital Event, the Issuer may at its option, having given not less than 30 nor more than 60 days' notice to the Holders in accordance with Condition 15 (*Notices*) (which notice shall, subject as provided in Condition 5.6 (*Conditions for Redemption and Purchase*), be irrevocable), redeem the Capital Securities, in whole (but not in part), at any time at their Prevailing Principal Amount together with accrued and unpaid interest (excluding interest which has been cancelled or deemed cancelled in accordance with these Conditions) to, but excluding, the date of redemption and any additional amounts payable in accordance with Condition 9 (*Taxation*).

The Competent Authority may only permit the Issuer to redeem the Capital Securities before the First Call Date on the occurrence of a Capital Event if, without prejudice to Condition 5.6 (*Conditions for Redemption and Purchase*) below, the Competent Authority considers the Capital Event sufficiently certain and the Issuer demonstrates to the satisfaction of the Competent Authority that the Capital Event was not reasonably foreseeable at the time of their issuance.

A "**Capital Event**" shall occur if there is a change in the regulatory classification of the Capital Securities that has resulted or would be likely to result in the Capital Securities being excluded, in whole or, to the extent permitted under Applicable Banking Regulations, in part, from the Additional Tier 1 Capital of the Issuer or reclassified as a lower quality form of own funds of the Issuer (in each case on a solo-consolidated, sub-consolidated or consolidated basis), which change in regulatory classification (or reclassification) becomes effective on or after the Issue Date. For the avoidance of doubt, a Capital Event shall not be deemed to have occurred in case of a partial exclusion of the Capital Securities as a result of (i) a Principal Write-down or (ii) a change in the regulatory assessment of the tax effects of a Principal Write-down.

5.5 Purchases

The Issuer or any of its subsidiaries may at their option (but subject to the provisions of Condition 5.6 (*Conditions for Redemption and Purchase*)) purchase Capital Securities (provided that, in the case of definitive Capital Securities, all unmatured Coupons and Talons appertaining thereto are purchased therewith) in the open market or otherwise and at any price. Such Capital Securities may be held, re-issued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

5.6 Conditions for Redemption and Purchase

(a) General conditions for redemption and purchase

Any optional redemption of Capital Securities pursuant to Condition 5.2 (*Redemption at the Option of the Issuer*), 5.3 (*Redemption for Taxation Reasons*) or 5.4 (*Redemption upon a Capital Event*) and any purchase of Capital Securities pursuant to Condition 5.5 (*Purchases*) are subject to the following conditions, in the case of (i), (ii) and (iii) however only if and to the extent then required by Applicable Banking Regulations.

The Capital Securities may only be redeemed or purchased (as applicable) if the following

conditions are met:

- (i) the Competent Authority having given its prior written permission to such redemption or purchase;
- (ii) the Issuer having demonstrated to the satisfaction of the Competent Authority that the Issuer complies with article 78 CRR (or any equivalent or substitute provision under Applicable Banking Regulations), which may include the replacement of the Capital Securities with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer;
- (iii) in the case of a redemption as a result of a Capital Event or a Tax Event, the Issuer having delivered a certificate signed by two duly authorised representatives to the Agent (and copies thereof being available at the Agent's Specified Office during its normal business hours) not less than 5 Business Days prior to the date set for redemption that the relevant Capital Event or Tax Event has occurred or will occur no more than 90 days following the date fixed for redemption, as the case may be; and
- (iv) if, in the case of a redemption as a result of a Tax Event, an opinion of a recognised law firm of international standing has been delivered to the Issuer and the Agent, to the effect that the relevant Tax Event has occurred.

(b) *No redemption whilst the Capital Securities are written down*

Following the occurrence of a Principal Write-down, the Issuer shall not be entitled to redeem the Capital Securities pursuant to Condition 5.2 (*Redemption at the Option of the Issuer*) until the principal amount of the Capital Securities is increased up to their Original Principal Amount pursuant to Condition 7.2 (*Principal Write-up*) (and any notice of redemption which has been given in such circumstances shall be automatically rescinded and shall be of no force and effect).

(c) *Determination of Trigger Event supersedes notice of redemption*

If the Issuer has given a notice of redemption of the Capital Securities pursuant to Condition 5.2 (*Redemption at the Option of the Issuer*), 5.3 (*Redemption for Taxation Reasons*) or 5.4 (*Redemption upon a Capital Event*) and, after giving such notice but prior to the relevant redemption date, the Issuer determines that a Trigger Event has occurred, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, the Capital Securities will not be redeemed on the scheduled redemption date and, instead, a Principal Write-down shall occur in respect of the Capital Securities as described under Condition 7 (*Principal Write-down and Principal Write-up*).

Following the occurrence of a Trigger Event, the Issuer shall not be entitled to give a notice of redemption of the Capital Securities pursuant to Condition 5.2 (*Redemption at the Option of the Issuer*), 5.3 (*Redemption for Taxation Reasons*) or 5.4 (*Redemption upon a Capital Event*) before the Trigger Event Write-Down Date.

5.7 Cancellations

All Capital Securities which are redeemed, and all Capital Securities which are purchased and surrendered to the Agent for cancellation, will (subject to Condition 5.6 (*Conditions for Redemption and Purchase*)) forthwith be cancelled (together, in the case of definitive Capital Securities, with all unmatured Coupons attached thereto or surrendered therewith at the time of redemption).

6. Substitution and Variation

6.1 Substitution and variation

Subject to Condition 6.2 (*Conditions to substitution and variation*) and 6.3 (*Determination of Trigger Event following notice of substitution or variation*), (i) if a CRD IV Capital Event, a Capital Event, or a Tax Event has occurred and is continuing or (ii) in order to align the Conditions to best practices published from time to time by the European Banking Authority resulting from its monitoring activities pursuant to article 80 CRR, the Issuer may at its option but without any requirement for the consent or approval of the Holders, upon not less than 30 nor more than 60 days' notice to the Holders in accordance with Condition 15 (*Notices*) (which notice shall, subject as provided in Condition 6.3 (*Determination of Trigger Event following notice of substitution or variation*), be irrevocable), substitute all (but not some only) of the Capital Securities or vary the terms of all (but not some only) of the Capital Securities provided that they remain or, as appropriate, become compliant with CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time and that such substitution or variation shall not result in terms that are materially less favourable to the Holders (as reasonably determined by the Issuer).

Following such variation or substitution in accordance with the above (and following any substitution for the purpose of Condition 7.4 (*New ISINs*)), the resulting securities shall (1) have a ranking at least equal to that of the Capital Securities, (2) have at least the same interest rate and the same interest payment dates as those from time to time applying to the Capital Securities, (3) have the same redemption rights as the Capital Securities, (4) preserve any existing rights under the Capital Securities to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of variation or substitution, (5) have assigned (or maintain) the same credit ratings as were assigned to the Capital Securities immediately prior to such variation or substitution and (6) be listed on a recognised stock exchange if the Capital Securities were listed immediately prior to such variation or substitution.

Such substitution or variation will be effected without any cost or charge to the Holders.

In these Conditions, a "**CRD IV Capital Event**" is deemed to have occurred if the whole of the outstanding nominal amount of the Capital Securities can no longer be included in full in the Additional Tier 1 Capital of the Issuer (on a solo consolidated, sub-consolidated or consolidated basis) by reason of their non-compliance with CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time.

6.2 Conditions to substitution and variation

Any substitution or variation of the Capital Securities pursuant to Condition 6.1 (*Substitution and variation*) is subject to compliance with any conditions prescribed under Applicable Banking Regulations, including the prior permission of the Competent Authority (if required). For the avoidance of doubt, the Competent Authority has discretion as to whether or not it will approve any such substitution or variation of the Capital Securities.

6.3 Determination of Trigger Event following notice of substitution or variation

If the Issuer has given a notice of substitution or variation of the Capital Securities pursuant to Condition 6.1 (*Substitution and variation*) and, after giving such notice but prior to the date of such substitution or variation (as the case may be), the Issuer determines that a Trigger Event has occurred, the Issuer shall:

- (i) determine whether or not the proposed substitution or variation (as the case may be) will proceed and, if so, whether any amendments to the substance and/or timing of such substitution or variation (as applicable) will be made; and

- (ii) as soon as reasonably practicable, give Holders notice of the same in accordance with Condition 15 (*Notices*) (such notice to specify the matters referred to in Condition 6.3(i) above).

If the Issuer determines that the proposed substitution or variation (as the case may be) will not proceed, the notice given in accordance with Condition 6.1 (*Substitution and variation*) shall be rescinded and of no force and effect.

7. Principal Write-down and Principal Write-up

7.1 Principal Write-down

(a) *Trigger Event*

Upon the occurrence of a Trigger Event, a Principal Write-down will occur without delay but no later than within one month or such shorter period as may be required by the Competent Authority (such date being a "**Trigger Event Write-down Date**"), all in accordance with this Condition 7.1 (*Principal Write-down*).

(b) *Trigger Event Write-down Notice*

Upon the occurrence of a Trigger Event, the Issuer shall:

- (i) immediately notify the Competent Authority that a Trigger Event has occurred;
- (ii) determine the Write-down Amount as soon as possible and no later than the relevant Trigger Event Write-down Date;
- (iii) give notice to Holders (a "**Trigger Event Write-down Notice**") in accordance with Condition 15 (*Notices*), which notice shall specify (A) that a Trigger Event has occurred, (B) the Trigger Event Write-down Date and (C) if it has then been determined, the Write-down Amount; and
- (iv) no later than the giving of the Trigger Event Write-down Notice, deliver to the Agent a certificate signed by two duly authorised representatives of the Issuer stating a Trigger Event has occurred.

The Issuer's determination of the relevant Write-down Amount shall be irrevocable and be binding on all parties.

If the Write-down Amount has not been determined at the time the Issuer gives the Trigger Event Write-down Notice, the Issuer shall, as soon as reasonably practicable following such determination having been made, give a further notice to Holders in accordance with Condition 15 (*Notices*), confirming the Write-down Amount. Failure to provide any notice referred to in this Condition will not have any impact on the effectiveness of, or otherwise invalidate, any such Principal Write-down or give Holders any rights as a result of such failure.

(c) *Cancellation of interest and Principal Write-down*

On a Trigger Event Write-down Date, the Issuer shall:

- (i) irrevocably cancel all interest accrued on each Capital Security up to (and including) the Trigger Event Write-down Date (whether or not the same has become due at such time); and
- (ii) irrevocably reduce the then Prevailing Principal Amount of each Capital Security by the relevant Write-down Amount (such reduction being referred to as a "**Principal Write-down**", and "**Written Down**" being construed accordingly) with effect from the Trigger Event Write-down Date, such Principal Write-down to be effected, save as may be otherwise required by Applicable Banking Regulations and/or the Competent Authority and subject to

Condition 7.1(e) (*Other Loss Absorbing Instruments*), *pro rata* and concurrently with the Principal Write-down of the other Capital Securities and the write-down or conversion into equity (as the case may be) of the then prevailing principal amount of any Similar Loss Absorbing Instruments.

Condition 3.2 (*Interest cancellation*) shall apply accordingly in respect of interest payments cancelled on a Trigger Event Write-down Date in accordance with Condition 7 (*Principal Write-down and Principal Write-up*).

In addition, the Competent Authority shall be entitled to write down the Capital Securities in accordance with its statutory powers, as more fully described in Condition 8 (*Statutory Loss Absorption*).

(d) *Write-down Amount*

In these Conditions, "**Write-down Amount**" means, on any Trigger Event Write-down Date, the amount by which the then Prevailing Principal Amount of each outstanding Capital Security is to be Written Down and which is calculated per Calculation Amount of such Capital Security, being the minimum of:

- (i) the amount per Calculation Amount (together with, subject to Condition 7.1(e) (*Other Loss Absorbing Instruments*), the concurrent *pro rata* Principal Write-down of the other Capital Securities and the write-down or conversion into equity of the prevailing principal amount of any Similar Loss Absorbing Instruments) that would be sufficient to immediately restore the Issuer CET1 Ratio to not less than 5.125 per cent and the Group CET1 Ratio to not less than 7 per cent; or
- (ii) if the amount determined in accordance with (i) above would be insufficient to restore the Issuer CET1 Ratio to 5.125 per cent and the Group CET1 Ratio to 7 per cent (as applicable), the amount necessary to reduce the Prevailing Principal Amount of the Capital Security to one cent.

The Write-down Amount for each Capital Security will therefore be the product of the amount calculated in accordance with this Condition 7.1(d) per Calculation Amount and the Prevailing Principal Amount of each Capital Security divided by the Calculation Amount (in each case immediately prior to the relevant Trigger Event Write-down Date).

For the purposes of determining whether a Trigger Event has occurred, the Issuer will (i) calculate the Issuer CET1 Ratio and the Group CET1 Ratio based on information (whether or not published) available to management of the Issuer, including information internally reported within the Issuer pursuant to its procedures for monitoring the Issuer CET1 Ratio and the Group CET1 Ratio and (ii) calculate and publish the Issuer CET1 Ratio and the Group CET1 Ratio on at least a quarterly basis.

(e) *Other Loss Absorbing Instruments*

To the extent the write-down or conversion into equity of any Loss Absorbing Instruments is not effective for any reason (i) the ineffectiveness of any such write-down or conversion into equity shall not prejudice the requirement to effect a Principal Write-down of the Capital Securities pursuant to Condition 7.1 (*Principal Write-down*) and (ii) the write-down or conversion into equity of any Loss Absorbing Instrument which is not effective shall not be taken into account in determining the Write-Down Amount of the Capital Securities.

Any Similar Loss Absorbing Instruments that may be written down or converted to equity in full (save for any one cent floor) but not in part only shall be treated for the purposes only of determining the relevant *pro rata* amounts in Condition 7.1(c)(ii) and 7.1(d)(i) as if their terms permitted partial write-down or conversion into equity.

(f) *No default*

Any Principal Write-down of the Capital Securities shall not:

- (a) constitute an event of default of the Issuer or a breach of the Issuer's other obligations or duties or a failure to perform by the Issuer in any manner whatsoever;
- (b) constitute the occurrence of any event related to the insolvency of the Issuer or entitle the Holders to any compensation or to take any action to cause the bankruptcy (*faillissement*), liquidation (*liquidatie*), dissolution or winding up (*ontbinding en vereffening*) of the Issuer.

The Holders shall have no further rights or claims against the Issuer (whether in the case of bankruptcy (*faillissement*), a Moratorium, liquidation (*liquidatie*) or the dissolution (*ontbinding en vereffening*) of the Issuer or otherwise) with respect to any interest cancelled and any principal Written Down in accordance with this condition (including, but not limited to, any right to receive accrued but unpaid and future interest or any right of repayment of principal, but without prejudice to their rights in respect of any reinstated principal following a Principal Write-up pursuant to Condition 7.2 (*Principal Write-up*)).

(g) *Principal Write-down may occur on one or more occasions*

A Principal Write-down may occur on one or more occasions and accordingly the Capital Securities may be Written Down on one or more occasions (provided, however, that the principal amount of a Capital Security shall never be reduced to below one cent).

7.2 **Principal Write-up**

(a) *Principal Write-up*

Subject to compliance with the Applicable Banking Regulations, if a positive Net Profit is recorded (a "**Return to Financial Health**") at any time while the Prevailing Principal Amount is less than the Original Principal Amount, the Issuer may, at its full discretion but subject to Conditions 7.2(b), 7.2(c) and 7.2(d) increase the Prevailing Principal Amount of each Capital Security (a "**Principal Write-up**") up to a maximum of its Original Principal Amount on a *pro rata* basis with the other Capital Securities and with any other Discretionary Temporary Write-down Instruments capable of being written-up in accordance with their terms at the time of the Principal Write-up (based on the then prevailing principal amounts thereof), provided that the Maximum Write-up Amount is not exceeded as determined in accordance with Condition 7.2(c) below.

Any Principal Write-up Amount will be subject to the same terms and conditions as set out in these Conditions.

For the avoidance of doubt, the principal amount of a Capital Security shall never be increased to above its Original Principal Amount.

(b) *Maximum Distributable Amount*

A Principal Write-up of the Capital Securities shall not be effected in circumstances which (when aggregated together with other distributions of the Issuer of the kind referred to in article 3:62b Wft (implementing article 141(2) CRD IV Directive)) would cause the Maximum Distributable Amount to be exceeded, if required to be calculated at such time.

(c) *Maximum Write-up Amount*

A Principal Write-up of the Capital Securities will not be effected at any time in circumstances to the extent the sum of:

- (i) the aggregate amount of the relevant Principal Write-up on all the Capital Securities;

- (ii) the aggregate amount of any interest on the Capital Securities that was paid or calculated (but disregarding any such calculated interest which has been cancelled) on the basis of a Prevailing Principal Amount that is lower than the Original Principal Amount at any time after the end of the then previous financial year;
- (iii) the aggregate amount of the increase in principal amount of each Written-down Additional Tier 1 Instrument (other than the Capital Securities) to be written-up at the time of the relevant Principal Write-up and the increase in principal amount of the Capital Securities or any Written-down Additional Tier 1 Instruments resulting from any previous write-up since the end of the then previous financial year; and
- (iv) the aggregate amount of any interest payments on each Written-down Additional Tier 1 Instrument (other than the Capital Securities) that were paid or calculated (but disregarding any such calculated interest which has been cancelled) on the basis of a prevailing principal amount that is lower than the original principal amount at which such Written-down Additional Tier 1 Instrument was issued at any time after the end of the then previous financial year,

would exceed the Maximum Write-up Amount.

In these Conditions, the "**Maximum Write-up Amount**" means the Net Profit (i) multiplied by the aggregate issued original principal amount of all Written-Down Additional Tier 1 Instruments, and (ii) divided by the Tier 1 Capital of the Issuer as at the date of the then most recent Quarterly Financial Period End Date, both (i) and (ii) as calculated on a solo-consolidated, sub-consolidated or consolidated basis (as applicable).

(d) *Principal Write-up and Trigger Event*

A Principal Write-up will not be effected whilst a Trigger Event has occurred and is continuing. Further, a Principal Write-up will not be effected in circumstances where such Principal Write-up (together with the simultaneous write-up of all other Discretionary Temporary Write-down Instruments) would cause a Trigger Event to occur.

(e) *Principal Write-up pro rata with other Discretionary Temporary Write-down Instruments*

The Issuer undertakes that it will not write-up the principal amount of any Discretionary Temporary Write-down Instruments capable of being written-up in accordance with their terms at the time of the relevant write-up unless it does so on a *pro rata* basis with a Principal Write-up on the Capital Securities.

(f) *Principal Write-up may occur on one or more occasions*

Principal Write-up may be made on one or more occasions until the Prevailing Principal Amount of the Capital Securities has been reinstated to the Original Principal Amount.

Any decision by the Issuer to effect or not to effect any Principal Write-up on any occasion shall not preclude it from effecting (in the circumstances permitted by this Condition 7.2 (*Principal Write-up*)) or not effecting any Principal Write-up on any other occasion.

(g) *Notice of Principal Write-up*

The Issuer shall, as soon as reasonably practicable following its formal decision to effect a Principal Write-up in respect of the Capital Securities and in any event not later than five Business Days prior to the date on which the Principal Write-up shall take effect, give notice of such Principal Write-up to the Holders in accordance with Condition 15 (*Notices*). Such notice shall confirm the amount of such Principal Write-up and the date on which such Principal Write-up is to take effect.

7.3 Foreign Currency Instruments

If, in connection with any Principal Write-down or Principal Write-up of the Capital Securities, any instruments are not denominated in the Accounting Currency at the relevant time ("**Foreign Currency Instruments**", which may include the Capital Securities, any relevant Similar Loss Absorbing Instruments and/or any relevant Loss Absorbing Instruments, as applicable), the determination of the relevant Write-down Amount or Write-up Amount (as the case may be) in respect of the Capital Securities and the relevant write-down (or conversion into equity) amount or write-up amount (as the case may be) of Similar Loss Absorbing Instruments and/or Loss Absorbing Instruments shall be determined by the Issuer based on the relevant foreign currency exchange rate used by the Issuer in the preparation of its regulatory capital returns under the Applicable Banking Regulations.

7.4 New ISINs

For operational reasons, any Principal Write-Down and any Principal Write-up may require the Securities Settlement System to substitute each Capital Security with a new security of the Prevailing Principal Amount (but otherwise on the same terms) which could be identified by a different international securities identification number (ISIN). Whether the ISIN is to change will be notified to the Holders in accordance with Condition 15 (*Notices*).

8. Statutory Loss Absorption

Capital Securities may become subject to the determination by the relevant Resolution Authority or the Issuer (following instructions from the relevant Resolution Authority) that all or part of the principal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be written off or converted into CET1 instruments or otherwise be applied to absorb losses, all as prescribed by the Applicable Resolution Framework ("**Statutory Loss Absorption**"). Upon any such determination:

- (i) the relevant proportion of the principal amount of the Capital Securities subject to Statutory Loss Absorption shall be written off or converted into common equity Tier 1 instruments or otherwise be applied to absorb losses, as prescribed by the Applicable Resolution Framework;
- (ii) Holders shall have no further rights or claims, whether in the case of bankruptcy (*faillissement*), a Moratorium, liquidation (*liquidatie*) or the dissolution (*ontbinding en vereffening*) of the Issuer or otherwise in respect of any amount written off or subject to conversion or otherwise as a result of such Statutory Loss Absorption, including, but not limited to, any right to receive accrued but unpaid and future interest or any right of repayment;
- (iii) such Statutory Loss Absorption shall not constitute an event of default of the Issuer or a breach of the Issuer's other obligations or duties or a failure to perform by the Issuer in any manner whatsoever; and
- (iv) such Statutory Loss Absorption shall not constitute the occurrence of any event related to the insolvency of the Issuer or entitle the Holders to any compensation or to take any action to cause the bankruptcy (*faillissement*), liquidation (*liquidatie*), dissolution or winding up (*ontbinding en vereffening*) of the Issuer.

In addition, subject to the determination by the relevant Resolution Authority and without the consent of the Holders, the Capital Securities may be subject to other resolution measures as envisaged under the Applicable Resolution Framework, such as replacement or substitution of the Issuer, transfer of the Capital Securities, expropriation of Holders, modification of the terms of the

Capital Securities and/or suspension or termination of the listings of the Capital Securities. Such determination, the implementation thereof and the rights of Holders shall be as prescribed by the Applicable Resolution Framework, which may include the concept that, upon such determination, no Holder shall be entitled to claim any indemnification or payment in respect of any tax or other consequences arising from any such event and that any such event shall not constitute an event of default or the occurrence of any event related to the insolvency of the Issuer or entitle the Holders to take any action to cause the bankruptcy (*faillissement*), liquidation (*liquidatie*), dissolution or winding up (*ontbinding en vereffening*) of the Issuer.

The Issuer shall as soon as practicable give notice to the Holders in accordance with Condition 15 (*Notices*) that Statutory Loss Absorption has occurred and of the amount adjusted downwards upon the occurrence of Statutory Loss Absorption. Failure to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such Statutory Loss Absorption or give Holders any rights as a result of such failure.

Upon any write off or conversion of a proportion of the principal amount of the Capital Securities as a result of Statutory Loss Absorption, any reference in these Conditions to principal, nominal amount, principal amount, Original Principal Amount or Prevailing Principal Amount shall be deemed to be to the amount resulting after such write off or conversion.

9. Taxation

9.1 Payment without Withholding

All payments of principal and interest in respect of the Capital Securities 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 at the initiative of the relevant tax authority of the Issuer. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the Holders or Couponholders after such withholding or deduction shall equal the respective amounts of interest which would otherwise have been receivable in respect of the Capital Securities 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 Capital Security or Coupon:

- (a) in respect of payment of any Prevailing Principal Amount;
- (b) presented for payment by or on behalf of a Holder or Couponholder who is liable for such taxes or duties in respect of such Capital Security or Coupon by reason of his having some connection with The Netherlands other than the mere holding of such Capital Security or Coupon or the receipt of principal or interest in respect thereof; or
- (c) presented for payment by or on behalf of a Holder 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
- (d) presented for payment by or on behalf of a Holder or Couponholder who would have been able to avoid such withholding or deduction by presenting the relevant Capital Security or Coupon to another Paying Agent in a Member State of the European Union; 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

Business Day; or

- (f) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

The Issuer shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**FATCA Withholding**") as a result of a Holder, Couponholder, beneficial owner or an intermediary that is not an agent of the Issuer not being entitled to receive payments free of FATCA Withholding. The Issuer will have no obligation to pay additional amounts or otherwise indemnify an investor for any such FATCA Withholding deducted or withheld by the Issuer, any Paying Agent or any other party.

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 Holders in accordance with Condition 15 (*Notices*).

9.2 Additional Amounts

Any reference in these Conditions to any amounts (including any payments or cancellation of interest) in respect of the Capital Securities shall be deemed also to include any additional amounts which may be payable under this Condition 9 (*Taxation*).

10. Prescription

The Capital Securities and Coupons will become void unless claims in respect of principal and/or interest are made within a period of five years after the Relevant Date (as defined in Condition 9.1 (*Payment without Withholding*)) therefore.

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 4(f) or any Talon which would be void pursuant to Condition 4(f).

11. Enforcement

Any failure by the Issuer to pay interest or the Prevailing Principal Amount when due in respect of the Capital Securities shall not constitute an event of default and does not give Holders any right to demand repayment of the Prevailing Principal Amount.

If any of the following events (each an "**Enforcement Event**") shall have occurred and be continuing:

- (i) the Issuer is declared bankrupt (*failliet*), or a declaration in respect of the Issuer is made under article 3:163(1)(b) Wft; or
- (ii) 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 Capital Securities,

then any Holder 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 Capital Security held by the Holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Prevaling Principal Amount and any accrued but unpaid interest from the previous Interest Payment Date up to (but excluding) the date of repayment (to the extent payment of such interest amount is not cancelled pursuant to Condition 3.2 (*Interest cancellation*)), without presentment, demand, protest or other notice of any kind provided that repayment of Capital Securities will only be effected after the Issuer has obtained the prior written permission of the Competent Authority provided that at the relevant time such permission is required.

No remedy against the Issuer other than as referred to in this Condition 11 (*Enforcement*) shall be available to the Holders, whether for recovery of amounts owing in respect of the Capital Securities or in respect of any breach by the Issuer of any of its obligations under or in respect of the Capital Securities.

12. Replacement of Capital Securities, Coupons and Talons

Should any Capital Security, 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 Capital Securities, Coupons or Talons must be surrendered before replacements will be issued.

13. Agent and Paying Agents

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below.

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:

- (iii) so long as the Capital Securities 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;
- (iv) there will at all times be a Paying Agent with a specified office in a city in continental Europe;
- (v) there will at all times be an Agent; and
- (vi) save to the extent satisfied by (i) above or (ii) above, there will at all times be a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

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 Holders in accordance with Condition 15 (*Notices*).

14. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon 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 a further Talon, subject to the provisions of Condition 10 (*Prescription*). Each Talon shall, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

Upon the due date for redemption of any Capital Security, any unexchanged Talon relating to such Capital Security shall become void and no Coupon will be delivered in respect of such Talon.

15. Notices

All notices regarding the Capital Securities shall be published (i) in at least one daily newspaper of wide circulation in The Netherlands, which is expected to be *Het Financieele Dagblad*, and (ii) in a leading English language daily newspaper of general circulation in London, which is expected to be the *Financial Times* and (iii) for so long as the Capital Securities are listed on Euronext in Amsterdam and Euronext in Amsterdam so requires, by the delivery of the relevant notice to Euronext in Amsterdam and through a press release which will also be made available on the website of the Issuer (www.abnamro.com). 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 Capital Securities are issued, there may (provided that, in the case of any publication required by a stock exchange, the rules of the stock exchange so permit), so long as the Global Capital Security is held in its entirety on behalf of the Securities Settlement System, be substituted for publication in some or all of the newspapers referred to above, the delivery of the relevant notice to the Securities Settlement System for communication by it to the Holders, provided that for so long as any Capital Securities are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will also be published in the manner required by those rules. Any such notice shall be deemed to have been given to the Holders on the seventh day after the day on which the said notice was given to the Securities Settlement System.

Notices to be given by any Holder shall be in writing and given by lodging the same, together (in the case of any Capital Security in definitive form) with the relative Capital Security or Capital Securities, with the Agent. Whilst any of the Capital Securities are represented by a Global Capital Security, such notice may be given by any Holder to the Agent via the Securities Settlement System in such manner as the Agent and the Securities Settlement System may approve for this purpose.

16. Meetings of Holders and Modification

16.1 Meetings of Holders

The Agency Agreement contains provisions for convening meetings of the Holders to consider matters relating to the Capital Securities, including the sanctioning by an Extraordinary Resolution of a modification of the Capital Securities, the Coupons or certain provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Holders holding not less than five per cent in Prevailing Principal Amount outstanding at such time. 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 Prevailing Principal Amount outstanding at such time, or at any adjourned meeting one or more persons being or representing Holders whatever the Prevailing Principal Amount outstanding at such time so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Capital Securities or Coupons (including modifying any date for payment of principal or interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Capital Securities or altering the currency of

payment of the Capital Securities 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 Prevailing Principal Amount outstanding at such time. An Extraordinary Resolution passed at any meeting of Holders shall be binding on all the Holders, whether or not they are present at the meeting, and on all Couponholders.

Convening notices shall be made in accordance with Condition 15 (*Notices*).

The Agency Agreement provides that, if authorised by the Issuer, a resolution in writing signed by or on behalf of the Holders of not less than 75 per cent in Prevailing Principal Amount outstanding at such time shall for all purposes be as valid and effective as an extraordinary resolution passed at a meeting of Holders duly convened and held, provided that the terms of the proposed resolution have been notified in advance to the Holders through the Securities Settlement System. Such a 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 Holders.

Resolutions of Holders will only be effective if such resolutions have been approved by the Issuer and, if so required, by the Competent Authority.

16.2 Modification

Subject to obtaining the permission therefor from the Competent Authority if so required, the Agent and the Issuer may agree, without the consent of the Holders or Couponholders, to:

- (a) any modification (except as mentioned above) of the Agency Agreement which is not materially prejudicial to the interests of the Holders and Couponholders; or
- (b) any modification of the Capital Securities, 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 law.

Any such modification shall be binding on the Holders and the Couponholders and any such modification shall be notified to the Holders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

17. Further Issues

The Issuer may from time to time without the consent of the Holders or Couponholders create and issue further capital securities, having terms and conditions the same as those of the Capital Securities, or the same except for the amount and date of the first payment of interest, which may be consolidated and form a single series with the outstanding Capital Securities.

18. Governing Law and Submission to Jurisdiction

18.1 Governing Law

The Capital Securities, the Coupons and the Talons, any non-contractual obligations arising out of or in connection therewith and the choice of court agreement included in Condition 18.2 (*Jurisdiction*) are governed by, and shall be construed in accordance with, the laws of The Netherlands.

18.2 Jurisdiction

The Issuer irrevocably agrees, for the benefit of the Holders, the Couponholders and holders of Talons, that the courts of Amsterdam are to have exclusive jurisdiction to settle any disputes ("**Dispute**") which may arise out of or in connection with the Capital Securities, the Coupons and/or the Talons (including a dispute relating to any non-contractual obligations arising out of or in

connection with the Capital Securities, the Coupons and/or the Talons) and accordingly submits to the exclusive jurisdiction of the Amsterdam courts.

18.3 Right to take proceedings outside The Netherlands

Condition 18.2 (*Jurisdiction*) is for the benefit of the Holders, the Couponholders and holders of Talons only. As a result, nothing in this Condition 18 (*Governing Law and Submission to Jurisdiction*) prevents any Holder, Couponholder or holder of Talons from taking proceedings relating to a Dispute ("**Proceedings**") in any other competent courts with jurisdiction. To the extent allowed by law, the Holders, the Couponholders or the holders of Talons may take concurrent Proceedings in any number of jurisdictions.

19. Definitions

In these Conditions:

"5-year Mid-Swap Rate" means, in relation to a Reset Period and the Reset Rate of Interest Determination Date in respect of such Reset Period:

- (i) the mid-swap rate for euro swaps with a term of 5 years which appears on the Screen Page as of 11:00 a.m. (Central European time) on such Reset Rate of Interest Determination Date; or
- (ii) if such rate does not appear on the Screen Page at such time on such Reset Rate of Interest Determination Date, the Reset Reference Bank Rate on such Reset Rate of Interest Determination Date.

"5-year Mid-Swap Rate Quotations" means the arithmetic mean of the bid and ask rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating euro interest rate swap transaction which:

- (i) has a term of 5 years commencing on the relevant Reset Date;
- (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market; and
- (iii) has a floating leg based on six-month EURIBOR (calculated on an Actual/360 day count basis).

"Accounting Currency" means euro or such other primary currency used in the presentation of the Issuer's accounts from time to time.

"Accrual Period" has the meaning given in Condition 3.1(e).

"Additional Tier 1 Capital" means the additional tier 1 capital of the Issuer within the meaning of Chapter 3 (*Additional Tier 1 capital*) of Title I (*Elements of own funds*) of Part Two (*Own Funds*) of CRR, as the same may be implemented and/or applicable in The Netherlands, and/or any such equivalent or substitute term under Applicable Banking Regulations, including any applicable transitional, phasing in or similar provisions.

"Anytime Calculation Date" means any day (other than a Quarterly Financial Period End Date) on which the Issuer CET1 Ratio and/or Group CET1 Ratio is calculated.

"Applicable Banking Regulations" means at any time, the laws, regulations, rules, requirements, standards, guidelines and policies relating to capital adequacy applicable to the Issuer including, without limitation to the generality of the foregoing, those regulations, rules, requirements, standards, guidelines and policies relating to capital adequacy then in effect of the Competent Authority (whether or not such requirements, guidelines or policies have the force of law and

whether or not they are applied generally or specifically to the Issuer) at such time (and, for the avoidance of doubt, including as at the Issue Date the rules contained in, or implementing, CRD IV, including the CRD Implementation Law (*Implementatiewet richtlijn en verordening kapitaalvereisten*) of 25 June 2014 and the decrees (*besluiten*) and regulations relating thereto).

"Applicable Resolution Framework" means any relevant laws and regulations applicable to the Issuer at the relevant time pursuant to, or which implement, or are enacted within the context of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, or any other resolution or recovery rules which may from time to time be applicable to the Issuer, including Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010.

"Business Day" means a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Amsterdam and (ii) the TARGET System is operating.

"Calculation Amount" means, initially €100,000 in principal amount of each Capital Security, or, following adjustment (if any) downwards or upwards to Condition 7 (*Principal Write-down and Principal Write-up*), the amount resulting from such adjustment.

"Capital Event" has the meaning given in Condition 5.4 (*Redemption upon a Capital Event*).

"Capital Securities" has the meaning given in the Introduction.

"CET1 Capital" means the common equity tier 1 capital of the Issuer, expressed in the Accounting Currency, as calculated by the Issuer on a solo-consolidated or sub-consolidated (as applicable) and/or the common equity tier 1 capital of Group, as calculated by the Issuer on a consolidated basis, all in accordance with Chapter 2 (*Common Equity Tier 1 capital*) of Title I (*Elements of own funds*) of Part Two (*Own Funds*) of CRR, as the same may be implemented and/or applicable in The Netherlands, and/or any such equivalent or substitute calculation or term under Applicable Banking Regulations, including any applicable transitional, phasing in or similar provisions.

"Competent Authority" means the European Central Bank, the Dutch Central Bank (*De Nederlandsche Bank N.V.*) 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.

"Coupon" has the meaning given in Condition 1 (*Form, Denomination and Title*).

"Couponholders" has the meaning given in the Introduction.

"CRD IV" means any, or any combination of, the CRD IV Directive, the CRR, and any CRD IV Implementing Measures.

"CRD IV Capital Event" has the meaning given in Condition 6.1 (*Substitution and variation*).

"CRD IV Directive" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (as amended from time to time) or such other directive as may come

into effect in place thereof.

"**CRD IV Implementing Measures**" means any regulatory capital rules implementing the CRD IV Directive or CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards or implementing technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Competent Authority, European Banking Authority or any other relevant authority, which are applicable to the Issuer (on a solo-consolidated, sub-consolidated or consolidated basis).

"**CRR**" 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 (as amended from time to time) or such other regulation as may come into effect in place thereof.

"**Discretionary Temporary Write-down Instruments**" means, at any time, any instrument (other than the Capital Securities and Junior Obligations) issued directly or indirectly by the Issuer which at such time (a) qualifies as Additional Tier 1 Capital of the Issuer on a solo-consolidated, sub-consolidated or consolidated basis, (b) has had all or some of its principal amount written-down and (c) has terms providing for a write-up or reinstatement of its principal amount, at the relevant issuer's discretion, upon reporting a net profit.

"**Distributable Items**" has the meaning given in Condition 3.2(b).

"**euro**" or "**€**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

"**Extraordinary Resolution**" means a resolution passed at a meeting of the Holders 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.

"**Financial Year**" means the financial year of the Issuer (being the one-year period in respect of which it prepares annual audited financial statements) from time to time, which as at the Issue Date runs from (and including) 1 January in one calendar year to (but excluding) the same date in the immediately following calendar year.

"**First Call Date**" means 22 September 2020.

"**Foreign Currency Instruments**" has the meaning given in Condition 0 (*Foreign Currency Instruments*).

"**Global Capital Security**" has the meaning given in the Introduction.

"**Group**" means ABN AMRO Group N.V. (together with its consolidated subsidiaries the "**Current Consolidated Group**") or any other entity which forms part of the Current Consolidated Group as at the Issue Date (or any successor entity) and which is at the relevant time at the highest level of prudential regulatory consolidation in the group of which the Issuer forms part.

"**Group CET1 Ratio**" means, as at any Quarterly Financial Period End Date or an Anytime Calculation Date, as the case may be, the ratio of CET1 Capital of Group as at such date to the total risk exposure amount (as referred to in article 92(2)(a) CRR) of Group as at the same date, expressed as a percentage, all as calculated on a consolidated basis within the meaning of CRR.

"**Holder**" has the meaning given in the Introduction and Condition 1 (*Form, Denomination and Title*).

"**Initial Period**" means the period from (and including) the Issue Date to (but excluding) the First

Call Date.

"**Initial Rate of Interest**" means 5.750 per cent per annum.

"**Interest Payment Date**" means 22 March and 22 September in each year from (and including) 22 March 2016.

"**Interest Period**" means each period from (and including) the Issue Date or any Interest Payment Date to (but excluding) the next Interest Payment Date.

"**Issue Date**" means 22 September 2015.

"**Issuer CET1 Ratio**" means, as at any Quarterly Financial Period End Date or an Anytime Calculation Date, as the case may be, the ratios of CET1 Capital of the Issuer as at such date to the total risk exposure amount (as referred to in article 92(2)(a) CRR) of the Issuer as at the same date, expressed as a percentage, all as calculated on (i) a solo-consolidated basis within the meaning of article 9 CRR and/or (ii) a sub-consolidated basis within the meaning of article 22 CRR (as applicable).

"**Junior Obligations**" means the Ordinary Shares, all other classes of share capital of the Issuer, and the rights and claims in respect of unsecured, subordinated obligations of the Issuer which rank, or are expressed to be ranking, junior to the rights and claims of the Holders in respect of the Capital Securities.

"**Loss Absorbing Instruments**" means, at any time, any instrument issued directly or indirectly by the Issuer which has terms pursuant to which all or some of its principal amount may be written-down (whether on a permanent or temporary basis) or converted into equity (in each case in accordance with its conditions) on the occurrence, or as a result, of the Issuer CET1 Ratio and/or the Group CET1 Ratio falling below a certain trigger level.

"**Mandatory Cancellation of Interest**" has the meaning given in Condition 3.2(b).

"**Margin**" means 5.452 per cent.

"**Maximum Distributable Amount**" has the meaning given in Condition 3.2(b).

"**Maximum Write-up Amount**" has the meaning given in Condition 7.2(c).

"**Net Profit**" means the lower of (i) the net profit of the Issuer as calculated on a solo-consolidated basis and as set out in the last audited annual consolidated accounts of the Issuer adopted by the Issuer's general meeting (or such other means of communication as determined by the Issuer), (ii) the net profit of the Issuer as calculated on a sub-consolidated basis and as set out in the last audited annual consolidated accounts of the Issuer adopted by the Issuer's general meeting (or such other means of communication as determined by the Issuer) and (iii) the net profit of Group as calculated on a consolidated basis and as set out in the last audited annual consolidated accounts of Group adopted by Group's general meeting (or such other means of communication as determined by the Issuer).

"**Optional Cancellation of Interest**" has the meaning given in Condition 3.2(a).

"**Ordinary Shares**" means ordinary shares of the Issuer or depository receipts issued in respect of such Ordinary Shares as the context may require.

"**Original Principal Amount**" means, in respect of a Capital Security at any time the principal amount (which, for these purposes, is equal to the nominal amount) of such Capital Security at the Issue Date without having regard to any subsequent Principal Write-down or Principal Write-up pursuant to Condition 7 (*Principal Write-down and Principal Write-up*).

"Parity Obligations" means the rights and claims in respect of obligations of the Issuer ranking, or expressed to be ranking, *pari passu* with the rights and claims of the Holders in respect of the Capital Securities, including obligations qualifying, or expressed to qualify, as Additional Tier 1 Capital.

"Prevailing Principal Amount" means, in respect of a Capital Security at any time, the Original Principal Amount of such Capital Security as reduced by any Principal Write-down of such Capital Security at or prior to such time pursuant to Condition 7 (*Principal Write-down and Principal Write-up*) (on one or more occasions) and, if applicable following any Principal Write-down, as subsequently increased by any Principal Write-up of such Capital Security (on one or more occasions) at or prior to such time pursuant to Condition 7 (*Principal Write-down and Principal Write-up*).

"Principal Write-down" has the meaning given in Condition 7.1 (*Principal Write-down*).

"Principal Write-up" has the meaning given in Condition 7.2 (*Principal Write-up*).

"Principal Write-up Amount" means, on any Principal Write-up, the amount by which the then Prevailing Principal Amount is to be written-up and which is calculated per Calculation Amount.

"Quarterly Financial Period End Date" means the last day of each fiscal quarter.

"Rate of Interest" means:

- (i) in the case of each Interest Period falling in the Initial Period, the Initial Rate of Interest; or
- (ii) in the case of each Interest Period which commences on or after the First Call Date, the sum, converted from an annual basis to a semi-annual basis, of (A) the Reset Rate of Interest applicable to the Reset Period in which that Interest Period falls and (B) the Margin,

all as determined by the Agent in accordance with Condition 3 (*Interest and interest cancellation*).

"Regulated Market" means a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC) as amended or replaced from time to time.

"Resolution Authority" means the European Single Resolution Board, the European Central Bank, the Dutch Central Bank (*De Nederlandsche Bank N.V.*) or such other regulatory authority or governmental body having the power to impose Statutory Loss Absorption on the Subordinated Notes pursuant to the Applicable Resolution Framework.

"Reset Date" means the First Call Date and each date which falls five, or an integral multiple of five, years after the First Call Date.

"Reset Period" means each period from (and including) a Reset Date to (but excluding) the next Reset Date.

"Reset Rate of Interest" means, in respect of any Reset Period, the 5-year Mid-Swap Rate determined on the Reset Rate of Interest Determination Date applicable to such Reset Period, as determined by the Agent.

"Reset Rate of Interest Determination Date" means, in respect of the determination of the Reset Rate of Interest applicable during any Reset Period, the day falling two Business Days prior to the Reset Date on which such Reset Period commences.

"Reset Reference Bank Rate" means, with respect to a Reset Rate of Interest Determination Date, the percentage rate determined on the basis of the 5-year Mid-Swap Rate Quotations provided by the Reset Reference Banks to the Agent at approximately 11:00 a.m. (Central European time) on such Reset Rate of Interest Determination Date. If at least three quotations are provided, the Reset

Reference Bank Rate will be the arithmetic mean of the quotations provided, 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, the Reset Reference Bank Rate will be the arithmetic mean of the quotations provided. If only one quotation is provided, the Reset Reference Bank Rate will be the quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be (i) in the case of each Reset Period other than the Reset Period commencing on the First Call Date, the 5-year Mid-Swap Rate in respect of the immediately preceding Reset Period or (ii) in the case of the Reset Period commencing on the First Call Date, 0.381 per cent per annum.

"**Reset Reference Banks**" means six leading swap dealers in the interbank market selected by the Agent in its discretion after consultation with the Issuer.

"**Return to Financial Health**" has the meaning given in Condition 7.2(a).

"**Screen Page**" means Bloomberg screen "ICAE1" or such other page as may replace it on Bloomberg or, as the case may be, on such other information service that may replace Bloomberg, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates comparable to the relevant 5-year Mid-Swap Rate.

"**Securities Settlement System**" has the meaning given in Condition 1 (*Form, Denomination and Title*).

"**Senior Obligations**" means (a) the rights and claims of depositors (other than in respect of those whose deposits are expressed by their terms to rank equally to or lower than the Capital Securities), (b) all unsubordinated rights and claims with respect to the repayment of borrowed money, (c) any other unsubordinated rights and claims and (d) all subordinated rights and claims against the Issuer (including in respect of obligations qualifying, or expressed to qualify, as Tier 2 capital under Applicable Banking Regulations) other than (i) Parity Obligations and (ii) Junior Obligations.

"**Similar Loss Absorbing Instrument**" means, at any time, any instrument (other than the Capital Securities and Junior Obligations) issued directly or indirectly by the Issuer which at such time (a) qualifies as Additional Tier 1 Capital of the Issuer on a solo-consolidated, sub-consolidated or consolidated basis, and (b) which has a similar write-down mechanism and an identical trigger level, both within the meaning of the Applicable Banking Regulations.

"**Statutory Loss Absorption**" has the meaning given in Condition 8 (*Statutory Loss Absorption*).

"**Subordinated Indebtedness**" means all indebtedness of the Issuer which is subordinated, in the event of the bankruptcy (*faillissement*), dissolution or liquidation other than on a solvent basis under the laws of The Netherlands of the Issuer, in right of payment to the claims of unsubordinated creditors of the Issuer and so that indebtedness shall include all liabilities, whether actual or contingent.

"**Talon**" has the meaning given in Condition 1 (*Form, Denomination and Title*).

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

"**Tax Event**" has the meaning given in Condition 5.3 (*Redemption for Taxation Reasons*).

"**Tier 1 Capital**" means the tier 1 capital of the Issuer, as calculated by the Issuer on a solo-consolidated, sub-consolidated or consolidated basis (as applicable) in accordance with Chapters 1 (*Tier 1 capital*), 2 (*Common Equity Tier 1 capital*) and 3 (*Additional Tier 1 capital*) of Title I (*Elements of own funds*) of Part Two (*Own Funds*) of CRR, as the same may be implemented and/or

applicable in The Netherlands, and/or any such equivalent or substitute calculation or term under Applicable Banking Regulations, including any applicable transitional, phasing in or similar provisions.

A "**Trigger Event**" will occur if as at any Quarterly Financial Period End Date or an Anytime Calculation Date (i) the Issuer CET1 Ratio is less than 5.125 per cent and/or (ii) the Group CET1 Ratio is less than 7 per cent.

"**Trigger Event Write-down Date**" has the meaning given in Condition 7.1(a).

"**Trigger Event Write-down Notice**" has the meaning given in Condition 7.1(b).

"**Write-down Amount**" has the meaning given in Condition 7.1(d).

"**Written-Down Additional Tier 1 Instrument**" means, at any time, any instrument (including the Capital Securities) issued directly or indirectly by the Issuer which qualifies as Additional Tier 1 Capital of the Issuer on a solo-consolidated, sub-consolidated or consolidated basis and which, immediately prior to the relevant Principal Write-up of the Capital Securities at that time, has a prevailing principal amount that, due to it having been written down, is lower than the original principal amount it was issued with.

In these Conditions reference to (i) any provisions of law or regulation shall be deemed to include reference to any successor law or regulation, (ii) solo-consolidated basis shall be to the level of solvency supervision within the meaning of article 9 CRR, (iii) sub-consolidated basis shall be to the level of solvency supervision within the meaning of article 22 CRR and (iv) consolidated basis shall be to the level of solvency supervision within the meaning of article 11 CRR.

FORM OF THE CAPITAL SECURITIES

The Capital Securities will initially be in the form of the Temporary Global Capital Security which will be deposited on the Issue Date with a common safekeeper for Euroclear and Clearstream, Luxembourg.

The Capital Securities will be issued in new global note ("NGN") form. On 13 June 2006 the European Central Bank (the "ECB") announced that Capital Securities in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the central banking system for the euro (the "Eurosystème"), **provided that** certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Capital Securities in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystème operations if the NGN form is used.

The Capital Securities are not intended to be held in a manner which would allow Eurosystème eligibility - that is, in a manner which would allow the Capital Securities to be recognised as eligible collateral for Eurosystème monetary policy and intra-day credit operations by the Eurosystème. Whilst the Capital Securities are not intended to be held in a manner which would allow Eurosystème eligibility at the date of this Prospectus, should the Eurosystème eligibility criteria be amended in the future such that the Capital Securities are capable of meeting them the Capital Securities may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Capital Securities will then be recognised as eligible collateral for Eurosystème monetary policy and intra-day credit operations by the Eurosystème at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystème eligibility criteria.

Whilst any Capital Security is represented by the Temporary Global Capital Security 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 only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of such Capital Security 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 Euroclear or Clearstream, Luxembourg and Euroclear or Clearstream, Luxembourg have given a like certification (based on the certifications they have received) to the Agent.

On and after the date (the "**Exchange Date**") which is not less than 40 days after the Issue Date, interests in the Temporary Global Capital Security will be exchangeable (free of charge), upon request as described therein, for interests in the Permanent Global Capital Security against certification of beneficial ownership as described in the second sentence of the preceding paragraph. The holder of the Temporary Global Capital Security will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Capital Security for an interest in the Permanent Global Capital Security is improperly withheld or refused.

So long as the Capital Securities are represented by a Temporary Global Capital Security or a Permanent Global Capital Security and the relevant clearing system(s) so permit, the Capital Securities will be tradable only in the minimum authorised denomination of €200,000 and higher integral multiples of €100,000, notwithstanding that no Definitive Capital Securities will be issued with a denomination above €300,000.

The Permanent Global Capital Security will be exchangeable (free of charge), in whole but not in part, for security printed Definitive Capital Securities with interest coupons or coupon sheets and talons attached. Such exchange may be made only upon the occurrence of an Exchange Event and if permitted by applicable law. An "**Exchange Event**" means the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have 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 successor clearing system is available. The Issuer will promptly give notice to Holders in accordance with Condition 15 (*Notices*) upon the occurrence of an Exchange Event. In the event of the occurrence of an Exchange Event any person who is at any time shown as accountholder in the records of Euroclear and/or Clearstream, Luxembourg as persons holding a principal amount of interest in the Permanent Global Capital Security may give notice to the Agent requesting exchange. Any such exchange shall occur no later than 15 days after the date on which the relevant notice is received by the Agent. The Temporary Global Capital Security, the Permanent Global Capital Security and Definitive Capital Securities will be issued pursuant to the Agency Agreement.

Payments of principal and interest (if any) on a Permanent Global Capital Security will be made through Euroclear or Clearstream, Luxembourg without any requirement for certification. Definitive Capital Securities will be in the standard euromarket form. Definitive Capital Securities and any Global Capital Security will be to bearer.

A Capital Security may be accelerated by the holder thereof in limited circumstances described in Condition 11 (*Enforcement*). In such circumstances, where any Capital Security is still represented by a Global Capital Security and a holder of such Capital Security so represented and credited to his account with Euroclear or Clearstream, Luxembourg gives notice that it wishes to accelerate such Capital Security, unless within a period of 15 days payment has been made in full of the amount due in accordance with the terms of such Global Capital Security, holders of interests in such Global Capital Security credited to their accounts with Euroclear or Clearstream, Luxembourg will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear or Clearstream, Luxembourg on and subject to the terms of the relevant Global Capital Security.

USE OF PROCEEDS

The net proceeds of the issue of the Capital Securities are expected to amount to approximately €993,000,000 (excluding certain fees and expenses) and will be applied by the Issuer for its general corporate purposes, which include making a profit and/or hedging certain risks. They are expected to be included in the Issuer's Tier 1 capital base under a fully loaded CRD IV approach.

ADDITIONAL FINANCIAL INFORMATION

Working Capital

ABN AMRO Group N.V. believes that its working capital is sufficient for its present requirements, that is for at least a period of twelve months following the date of this Prospectus.

The Issuer's current own funds are sufficient to comply with all own funds requirements applicable to it. The Issuer currently complies with the applicable liquidity requirements as set out in the CRR. The Issuer's current liquidity position is sufficient to comply with all liquidity requirements applicable to it.

Capitalisation and Indebtedness

The table below sets forth ABN AMRO Group N.V.'s consolidated capitalisation as of 30 June 2015. The information set out below is unaudited.

Capitalisation

	As at 30 June 2015
	<i>(in millions of euros)</i>
Total current debt (maturity up to one year)	24,746
<i>of which: secured</i> ⁽¹⁾	5,744
<i>of which: unsecured</i> ⁽²⁾	18,997
<i>of which: subordinated debt</i>	5
Total non-current debt (excluding current portion of long-term debt)	64,816
<i>of which: secured</i> ⁽³⁾	26,693
<i>of which: unsecured</i> ⁽⁴⁾	28,190
<i>of which: subordinated debt</i>	9,933
Equity:	
Share capital	940
Share Premium	12,970
Other reserves (incl. retained earnings/profit for the period)	2,632
Other comprehensive income.....	(657)
<i>Shareholders' equity</i>	15,885
Total Capitalisation	105,447

- (1) Total of senior secured notes and securitisations with a remaining maturity up to one year.
- (2) Total of senior unsecured notes, commercial paper/certificates of deposit, saving certificates and subordinated debt, all with a remaining maturity up to one year.
- (3) Total of senior secured notes and securitisations with a remaining maturity of more than one year.
- (4) Total of senior unsecured notes, commercial paper/certificates of deposit, saving certificates and subordinated debt, all with a remaining maturity of more than one year.

The following table shows the Group's indebtedness as at 30 June 2015.

Indebtedness

	As at 30 June 2015
	<i>(in millions of euros)</i>
Liquidity:	
Cash ⁽¹⁾	15,132
Cash equivalents ⁽²⁾	5,091
Trading securities.....	6,648
Total liquidity⁽³⁾	26,871
Current financial receivables⁽⁴⁾	130,635
Current financial debt (maturity up to one year):	
Current debt ⁽⁵⁾	(275,791)
Current portion of non-current debt ⁽⁶⁾	(11,895)
Other current financial debt ⁽⁷⁾	(3,036)
Total current financial debt	(290,723)
Net current financial indebtedness	(133,217)
Non-current financial indebtedness:	
Non-current bank loans ⁽⁸⁾	(8,365)
Bonds issued ⁽⁹⁾	(54,883)
Other non-current loans ⁽¹⁰⁾	(40,789)
Non-current financial indebtedness.....	(104,037)
Net financial indebtedness.....	(237,254)

- (1) Cash and freely available balances at central banks.
- (2) Loans and receivables - banks with a remaining maturity of 3 months or less.
- (3) Liquidity is not equal to the liquidity buffer held for liquidity contingency purposes.
- (4) Total of assets with a remaining maturity up to one year excluding cash and balances at central banks with a remaining maturity up to one year, financial assets held for trading with a remaining maturity up to one year and loans and receivables - banks with a remaining maturity of 3 months or less.
- (5) Total of liabilities held for trading, derivatives, securities financing, due to banks, due to customers and commercial paper/certificates of deposit, all with a remaining maturity up to one year.
- (6) Total of senior secured debt, senior unsecured debt, securitisations, subordinated liabilities and saving certificates, all with a remaining maturity up to one year.
- (7) Total of provisions, tax, liabilities and other liabilities, all with a remaining maturity up to one year.
- (8) Total of due to banks with remaining maturity of more than one year.
- (9) Total of issued debt and subordinated with a remaining maturity of more than one year.
- (10) Total of derivatives, securities financing, due to customers, provisions, tax liabilities and other liabilities, all with a remaining maturity of more than one year.

Indirect and contingent indebtedness

	As at 30 June 2015
	<i>(in millions of euros)</i>
Committed credit facilities.....	20,934
Guarantees	2,657
Irrevocable facilities.....	5,510
Recourse risks arising from discounted bills.....	6,040
Total indirect and contingent indebtedness	35,141

CET1 Ratios

As at 30 June 2015 the Issuer CET1 Ratio and the Group CET1 Ratio are:

Group consolidated basis:	14.2%
Issuer solo-consolidated basis	13.5%
Issuer sub-consolidated basis:	14.2%

TAXATION

The following is a general description of certain Dutch tax considerations relating to the Capital Securities. It does not purport to be a complete analysis of all tax considerations relating to the Capital Securities whether in those countries or elsewhere. Prospective purchasers of Capital Securities should consult their own tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of The Netherlands of acquiring, holding and disposing of Capital Securities and receiving payments of interest, principal and/or other amounts under the Capital Securities. This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date.

Also investors should note that the appointment by an investor in Capital Securities, or any person through which an investor holds Capital Securities, of a custodian, collection agent or similar person in relation to such Capital Securities in any jurisdiction may have tax implications. Investors should consult their own tax advisers in relation to the tax consequences for them of any such appointment.

THE NETHERLANDS

The following summary of certain Dutch taxation matters is based on the laws and practice in force as of the date of this Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of Capital Securities or Coupons, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules.

For the purpose of the paragraph "Withholding Tax" below it is assumed that the Capital Securities qualify as Additional Tier 1 Capital under 52, paragraph 1 CRR. If the Capital Securities would not qualify as such, the Capital Securities may be treated as equity for Dutch tax purposes (and not as a debt instrument), whereby interest payments could be viewed as profit distributions subject to (dividend) withholding tax (dividendbelasting) at a rate of 15%.

For the purpose of the paragraph "Taxes on Income and Capital Gains" below it is assumed that a Holder, being an individual or a non-resident entity, does not have nor will have a substantial interest (aanmerkelijk belang), or - in the case of such Holder being an entity - a deemed substantial interest, in the Issuer and that no connected person (verbonden persoon) to the Holder has or will have a substantial interest in the Issuer.

Generally speaking, an individual has a substantial interest in a company if (a) such individual, either alone or together with his partner, directly or indirectly has, or is deemed to have or (b) certain relatives of such individual or his partner directly or indirectly have or are deemed to have (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent or more of either the total issued and outstanding capital of such company or the issued and outstanding capital of any class of shares of such company, or (ii) the ownership of, or certain rights over, profit participating certificates (winstbewijzen) that relate to 5 per cent or more of either the annual profit or the liquidation proceeds of such company.

Generally speaking, a non-resident entity has a substantial interest in a company if such entity, directly or indirectly has (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent or more of either the total issued and outstanding capital of such company or the issued and outstanding capital of any class of shares of such company, or (ii) the ownership of, or certain rights over, profit participating certificates (winstbewijzen) that relate to 5 per cent or more of either the annual profit or the liquidation proceeds of such company. An entity has a deemed substantial interest in a company if such entity has disposed of or is deemed to have disposed of all or part of a substantial interest on a non-recognition basis.

For the purpose of this summary, the term "entity" means a corporation as well as any other person that is taxable as a corporation for Dutch corporate tax purposes.

Where this summary refers to a Holder, an individual holding Capital Securities or an entity holding Capital Securities, such reference is restricted to an individual or entity holding legal title to as well as an economic interest in such Capital Securities or otherwise being regarded as owning Capital Securities

for Dutch tax purposes. It is noted that for purposes of Dutch income, corporate, gift and inheritance tax, assets legally owned by a third party such as a trustee, foundation or similar entity, may be treated as assets owned by the (deemed) settlor, grantor or similar originator or the beneficiaries in proportion to their interest in such arrangement.

Where the summary refers to "The Netherlands" or "Dutch" it refers only to the European part of the Kingdom of the Netherlands.

Investors should consult their professional advisers on the tax consequences of their acquiring, holding and disposing of Capital Securities or Coupons.

1. WITHHOLDING TAX

All payments made by the Issuer of interest and principal under the Capital Securities can be made free of withholding or deduction of any taxes of whatever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein.

2. TAXES ON INCOME AND CAPITAL GAINS

Residents

Resident entities

An entity holding Capital Securities which is, or is deemed to be, resident in The Netherlands for corporate tax purposes and which is not tax exempt, will generally be subject to corporate tax in respect of income or a capital gain derived from the Capital Securities at the prevailing statutory rates.

Resident individuals

An individual holding Capital Securities who is or is deemed to be a resident in The Netherlands for income tax purposes will be subject to income tax in respect of income or a capital gain derived from the Capital Securities at rates up to 52 per cent if:

- (i) the income or capital gain is attributable to an enterprise from which the Holder derives profits (other than as a shareholder); or
- (ii) the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor (ii) applies, an individual holding Capital Securities will be subject to income tax on the basis of a deemed return, regardless of any actual income or capital gain derived from the Capital Securities. The deemed return amounts 4% of the value of the individual's net assets as at the beginning of the relevant fiscal year (including the Capital Securities). Subject to application of certain allowances, the deemed return will be taxed at a rate of 30 per cent.

Non-residents

A Holder which is not, and is not deemed to be a resident in The Netherlands for the relevant tax purposes will not be subject to taxation on income or a capital gain derived from the Capital Securities unless:

- (i) the income or capital gain is attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) taxable in The Netherlands and the Holder derives profits from such enterprise (other than by way of Capital Securities); or
- (ii) the Holder is an individual and the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) in The Netherlands as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*),

including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

3. GIFT AND INHERITANCE TAXES

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of Capital Securities by way of gift by, or on the death of, a Holder, unless:

- (i) such Holder is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions; or
- (ii) the transfer is construed as an inheritance or gift 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 the purpose of the relevant provisions.

4. VALUE ADDED TAX

There is no Dutch value added tax payable by a Holder in respect of payments in consideration for the issue of the Capital Securities or in respect of the payment of interest or principal under the Capital Securities or the transfer of Capital Securities.

5. OTHER TAXES AND DUTIES

There is no Dutch registration tax, stamp duty or any other similar tax or duty payable in The Netherlands by a Holder in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgement in the courts of The Netherlands) of the Capital Securities or the performance of the Issuer's obligations under the Capital Securities.

6. RESIDENCE

A Holder will not be and will not be deemed to be resident in The Netherlands for tax purposes and, subject to the exceptions set out above, will not otherwise become subject to Dutch taxation, by reason only of acquiring, holding or disposing of Capital Securities or the execution, performance, delivery and/or enforcement of Capital Securities.

COUNCIL DIRECTIVE ON TAXATION OF SAVINGS INCOME

Under Council Directive 2003/48/EC on the taxation of savings income (the "**Savings Directive**"), Member States are required to provide to the tax authorities of other Member States details of certain payments of interest or similar income paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State.

For a transitional period, Austria is required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments. 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 territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 24 March 2014, the Council of the European Union adopted a Council Directive (the "**Amending Directive**") amending and broadening the scope of the requirements described above. The Amending Directive requires Member States to apply these new requirements from 1 January 2017 and if they were to take effect the changes would expand the range of payments covered by the Savings Directive, in particular to include additional types of income payable on securities. They would also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported or subject to withholding. This approach would 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.

However, the European Commission has proposed the repeal of the Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to ongoing requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive.

THE PROPOSED FINANCIAL TRANSACTIONS TAX ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**").

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Capital Securities should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. 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.

Joint statements issued by Participating Member States indicate an intention to implement the FTT by 1 January 2016.

However, the FTT proposal remains subject to negotiation between the Participating Member States and the scope of any such tax is uncertain. It may therefore be altered prior to any implementation. Additional EU Member States may decide to participate.

Prospective holders of the Capital Securities are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

ABN AMRO Bank, Citigroup Global Markets Limited, Goldman Sachs International, HSBC Bank plc, Morgan Stanley & Co. International plc and UBS Limited (the "**Joint Lead Managers**") and Commerzbank Aktiengesellschaft, Natixis and Société Générale (together with the Joint Lead Managers, the "**Managers**") have, pursuant to a subscription agreement dated 18 September 2015 (the "**Subscription Agreement**"), jointly and severally agreed with the Issuer upon the terms and subject to the satisfaction of certain conditions, to subscribe the Capital Securities at an issue price of 100 per cent of their principal amount less a combined selling, management and underwriting commission. The Issuer will also reimburse the Managers in respect of certain of their expenses and has agreed to indemnify the Managers against certain liabilities incurred in connection with the issue of the Capital Securities. The Subscription Agreement may be terminated in certain circumstances prior to the closing of the issue of the Capital Securities.

SELLING RESTRICTIONS

United States

The Capital Securities have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in the previous sentence have the meanings given to them by Regulation S under the Securities Act.

The Capital Securities are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by United States tax regulations. Terms used in the previous sentence have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Manager has represented and agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver any Capital Securities within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of all Capital Securities, as determined and certified to the Agent by such Manager (or in the case of a sale of Capital Securities to or through more than one Manager, by each of such Managers as to the Capital Securities purchased by or through it, in which case the Agent shall notify each such Joint Lead Manager when all such Joint Lead Managers have so certified), and it will have sent to each other manager or person receiving a selling concession, fee or other remuneration to which it sells Capital Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Capital Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the completion of the distribution of the Capital Securities, an offer or sale of Capital Securities within the United States by any manager (whether or not participating in the offering) may violate the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

United Kingdom

Each Manager has represented and agreed 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 of England and Wales (the "**FSMA**") received by it in connection with the issue or sale of any Capital Securities in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Capital Securities in, from or otherwise involving the United Kingdom.

Japan

The Capital Securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**") and, accordingly, each Manager has represented and agreed that it will not offer or sell any Capital Securities directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

General

Each of the Managers has represented and agreed that (to the best of its knowledge and belief) it will comply with all applicable laws and regulations in force in any jurisdiction in or from which it purchases, offers, sells or delivers any Capital Securities or any interest therein or possesses or distributes this Prospectus or any other offering material relating to the Capital Securities and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of any Capital Securities under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any other Manager shall have responsibility therefore. In addition, each Manager has represented and agreed that it will not directly or indirectly offer, sell or deliver any Capital Securities or distribute or publish this Prospectus or any other offering material relating to the Capital Securities in or from any jurisdiction except under circumstances that will not impose any obligations on the Issuer or any other Managers.

GENERAL INFORMATION

Authorisation

The Issuer has obtained all necessary consents, approvals and authorisations in The Netherlands in connection with the issue and performance of the Capital Securities. The creation and issue of the Capital Securities was authorised by resolutions of the management board of the Issuer passed on 12 August 2015 and 1 September 2015.

Listing

Application has been made to Euronext Amsterdam N.V. for the Capital Securities to be listed on Euronext Amsterdam with effect from 22 September 2015. Euronext Amsterdam is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC). The total expenses related to admission to trading are estimated to be €5,500.

Significant or material change

There has been no (i) material adverse change in the Issuer's prospects since 31 December 2014 or (ii) significant change in the financial position of the Issuer and its subsidiaries since 30 June 2015.

There has been no (i) material adverse change in the ABN AMRO Group's prospects since 31 December 2014 or (ii) significant change in the financial position of the ABN AMRO Group N.V. and its subsidiaries since 30 June 2015.

Independent auditor

The consolidated annual financial statements of ABN AMRO Group N.V. as of 31 December 2014, and for the year then ended, incorporated by reference in the Registration Document, have been audited by KPMG Accountants N.V., independent auditors ("**KPMG**"), as stated in their report appearing herein. The consolidated annual financial statements of ABN AMRO Group N.V. as of 31 December 2013 (including the comparative 2012), and for the year then ended, incorporated by reference in the Registration Document, have been audited by KPMG, as stated in their report appearing herein. The consolidated annual financial statements of ABN AMRO Bank N.V. as of 31 December 2014 (including the comparative 2013), and for the year then ended, incorporated by reference in the Registration Document, have been audited by KPMG, as stated in their report appearing herein. The individual auditors of KPMG are members of the Dutch Professional Association of Accountants (*Nederlandse Beroepsorganisatie van Accountants*). KPMG has given, and has not withdrawn, its consent to the inclusion of these report in this in the form and context in which it is included.

Legal and arbitration proceedings

The Issuer is involved in a number of governmental, legal and arbitration proceedings in the ordinary course of its business in a number of jurisdictions, including those set out in "5. *The Issuer—1. ABN AMRO Bank N.V.—1.8 Legal and arbitration proceedings*" of the Registration Document incorporated by reference herein. However, on the basis of information currently available, and having taken legal counsel with advisers, the Issuer is of the opinion that, save as set out above, it is not, nor has it been, involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer and/or its subsidiaries.

Documents Available

Copies of the following documents will be available free of charge during normal business hours from the registered office of the Issuer (at Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands) and from the specified office of the Agent:

- (a) a copy of this Prospectus;
- (b) the registration document of the Issuer dated 28 May 2015 (the "**Registration Document**"), as

supplemented on 24 August 2015 and 15 September 2015 and including, for the purpose of clarity, the items incorporated by reference therein; and

- (c) a copy of the Agency Agreement.

Post issuance information

The Issuer does not intend to provide any post issuance information in relation to the issue of Capital Securities.

Clearing and settlement systems

The Capital Securities have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The International Securities Identification Number (ISIN) for the Capital Securities is XS1278718686 and the Common Code is 127871868.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg.

Joint Lead Managers acting with the Issuer

Save for the commissions and any fees payable to the Joint Lead Managers, no person involved in the issue of the Capital Securities has an interest, including conflicting ones, material to the offer.

Yield

5.750% per annum.

The yield is calculated at the Issue Date on the basis of the Issue Price until the First Call Date. It is not an indication of future yield. Since the Rate of Interest will be reset at the First Call Date (unless the Issuer redeems the Capital Securities on the First Call Date), an indication of yield relating to periods after the First Call Date cannot be given.

Registered Office of the Issuer

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Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

Agent

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Joint Bookrunners and Joint-Lead Managers

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Morgan Stanley & Co. International plc
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UBS Limited
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United Kingdom

Co-Lead Managers

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Germany

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75013 Paris
France

Société Générale
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75009 Paris
France

Independent Public Accountants

KPMG Accountants N.V.
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The Netherlands

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To the Joint Lead Managers

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Amsterdam Listing Agent

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