



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

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

### **Euro 5,000,000,000 Debt Issuance Programme**

Under this EUR 5,000,000,000 Debt Issuance Programme (the "**Programme**"), F. van Lanschot Bankiers N.V. (the "**Issuer**", or the "**Bank**") may from time to time issue notes denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below) (the "**Notes**", which expression shall include Senior Notes and Subordinated Notes (each as defined in the Terms and Conditions)).

Subject as set out herein, the maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed EUR 5,000,000,000 (or its equivalent in other currencies calculated as described herein).

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

Ratings and expected ratings in relation to the Issuer and certain Notes are stated in the section headed "*F. van Lanschot Bankiers N.V.*".

As of the date of this Base Prospectus, each of Fitch Ratings Ltd. ("**Fitch**") and Standard & Poor's Credit Market Services Europe Limited ("**S&P**") is established in the European Union and is registered under Regulation (EC) No 1060/2009 of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

The rating of a certain Series or Tranches of Notes to be issued under the Programme may be specified in the applicable Final Terms. Whether a credit rating applied for in relation to a relevant Series or Tranche of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation or by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation will be disclosed clearly and prominently in the applicable Final Terms.

None of these ratings is a recommendation to buy, sell or hold securities and any of them may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without prior notice.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which case a supplement to this Base Prospectus for Notes listed on a regulated market (as defined in Directive 2004/39/EC) and/or offered to the public in a Relevant Member State, if required or deemed desirable, will be made available which will describe the effect of the agreement reached in relation to such Notes.

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

The AFM has been requested to provide the Financial Services and Markets Authority in Belgium (the "**FSMA**") with a certificate of approval (a "**Notification**") attesting that the Base Prospectus has been drawn up in accordance with the Prospectus

Directive and the prospectus regulation based thereon and the relevant implementing measures in the Netherlands. The Issuer may in future request the AFM to provide the Commission de Surveillance du Secteur Financier ("CSSF") in Luxembourg with a Notification. Notes issued under the Programme may be listed on NYSE Euronext in Amsterdam ("**NYSE Euronext Amsterdam**"), the regulated market operated by Euronext Amsterdam N.V. ("**NYSE Euronext**") and in future, after a Notification has been provided to the CSSF, the regulated market of the Luxembourg Stock Exchange. In relation to Notes listed on NYSE Euronext Amsterdam and, after a Notification has been made to the CSSF, on the Luxembourg Stock Exchange, this Base Prospectus is valid for one (1) year as of the date hereof. Unlisted Notes may also be issued under the Programme. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.

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

**This Base Prospectus will be published in electronic form on the website of the AFM and on the website of the Issuer at [www.vanlanschot.nl/vanlanschot/en/about-van-lanschot/investor-relations/debt-investors/debt-issuance-programme.html](http://www.vanlanschot.nl/vanlanschot/en/about-van-lanschot/investor-relations/debt-investors/debt-issuance-programme.html). This Base Prospectus is issued in replacement of the prospectus of the Issuer dated 14 March 2012.**

*Arranger for the Programme*

**RABOBANK INTERNATIONAL**

*Dealers*

**ABN AMRO**

**BNP PARIBAS**

**DZ BANK AG**

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

**ING**

**Kempen & Co N.V.**

**Landesbank Baden-Württemberg**

**Rabobank International**

**RBS PLC**

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## RISK FACTORS

*Prospective investors should read the entire Base Prospectus.*

*The Issuer believes that the factors described below represent the material risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons. The risks described below are not the only risks the Issuer faces. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus including any documents incorporated by reference herein and form their own opinion prior to making any investment decision. Words and expressions defined in the 'Terms and Conditions of the Notes' below or elsewhere in this Base Prospectus have the same meanings in this section, unless otherwise stated. Prospective investors should consider, among other things, the following.*

*As far as the following factors relate to the Issuer, they apply equally to Van Lanschot N.V.*

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

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

*The Issuer's results can be adversely affected by general economic conditions and other business conditions*

The Issuer's results are affected by general economic and other business conditions. These conditions include changing economic cycles that affect demand for investment and banking products, fluctuations in interest rates, monetary policy, consumer and business spending and demographics. Such cycles are also influenced by global political events, such as terrorist acts, war and other hostilities as well as by market specific events, such as shifts in consumer confidence, industrial output, labour or social unrest and political uncertainty.

The financial markets remain concerned about the ability of certain European countries, particularly Greece, Ireland and Portugal, but also others such as Spain and Italy, to finance their deficits and service growing debt burdens amidst difficult economic conditions. This loss of confidence has led to rescue measures for Greece, Portugal and Ireland by Euro-zone countries and the International Monetary Fund. Despite these measures, concerns persist regarding the debt burden of certain Euro-zone countries and their ability to meet future financial obligations, the overall stability of the Euro and the suitability of the Euro as a single currency given the diverse economic and political circumstances in individual Eurozone countries. In addition, the actions required to be taken by those countries as a condition to rescue packages, and by other countries to mitigate similar developments in their economies, have resulted in increased political discord within and among Euro-zone countries. The interdependencies among European economies and financial institutions have also exacerbated concern regarding the stability of European financial markets generally. These concerns could lead to the re-introduction of individual currencies in one or more Euro-zone countries, or, in more extreme circumstances, the possible dissolution of the Euro currency entirely. Should the Euro dissolve entirely, the legal and contractual consequences for holders of Euro-denominated obligations would be determined by laws in effect at such time. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Issuer's Euro-denominated assets and obligations and may even have an adverse effect on the Issuer's financial condition and/or results of operations. In addition, concerns over the effect of this financial crisis on financial institutions in Europe and globally could have an adverse impact on the capital markets generally.

Mortgage loans and to a lesser extent loans to small and medium-sized entities constitute a significant portion of the Issuer's total loan portfolio. A significant downturn in the economy, especially if combined with a drop in property values and increased interest rates, could lead to a decrease in mortgage loans and loans to small and medium-sized

entities, increased default rates on these loans and may even have an adverse effect on the Issuer's financial condition and/or results of operations.

The Issuer operates almost entirely in the Netherlands and Belgium and its success is therefore closely tied to general economic conditions in those markets. According to the OECD, the macro-economic outlook in the Issuer's main geographical markets remains relatively weak compared to historical levels, with projected 2013 GDP growth of 0.2% and 0.5% in the Netherlands and Belgium respectively. Weakness in the Dutch or Belgian economies, and, in particular, low GDP growth and increasing levels of unemployment, has had and, if such economic weakness persists, may continue to have a direct negative impact on the demand for products and services of the Issuer. As a result of continued economic weakness in the Netherlands or Belgium, it may be more difficult for the Issuer to attract new clients, or retain existing clients, and may have a materially adverse effect the Issuer's business, financial condition, results of operations and prospects.

Furthermore financial markets and economic conditions have recently deteriorated significantly and may continue to deteriorate which resulted in a widespread loss of investor confidence.

The overall decrease in investor confidence has resulted in, and may continue to result in, clients switching to more conservative, lower margin products and services as well as a decline in the volume of transactions that the Issuer executes for its clients and hence to reduced commission income and to margin erosion.

The effects of the financial crisis on the real economy – with corporate losses rising, overall employee compensation coming under pressure, especially in the upper salary bands, the decline of values across asset classes, and thereby a need to liquidate investments – could be of significant importance to the investment behaviour of the Issuer's core client group, i.e. high-net-worth individuals. The Issuer, similar to other financial institutions, could be confronted with net outflows of assets under management, and could experience difficulties attracting new clients and retaining existing clients, resulting in a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

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

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

*The Issuer's results of operations and financial condition may be adversely affected by a ban on third party inducements and distribution fees*

As of 1 January 2013, the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*) provides for a ban on third party inducements (*provisieverbod*). This ban on third party inducements does, however, not apply to investment firms (such as parties that distribute participations in investment institutions). The existing legal ban on inducements entails that financial service providers are no longer allowed to pay or receive inducements for acting as an intermediary or adviser. Only inducements paid by the consumer or client are permitted. The existing inducement prohibition applies to payment protection insurances, complex products, mortgage loans, life insurance products, funeral insurance products, individual disability insurance products or products to be set out in a further regulation.

On 14 February 2013 the Netherlands Authority for the Financial Markets Authority (*Stichting Autoriteit Financiële Markten*, the "AFM") announced that it has entered into an agreement with six Dutch banks, amongst which the Issuer. This agreement provides that these banks will no longer receive distribution fees from investment institutions as of 1 January 2014. The agreement can be considered a voluntary ban on distribution fees which investment firms receive for allowing investment institutions to use of their distribution channel. Such distribution fees are also known

as kick-back fees, trailer fees or retrocessions and the voluntary ban will apply to all types of investment services, i.e. individual portfolio management, investment advice and execution only.

A participating bank may for the time being receive distribution fees. However, the entire distribution fee will need to be passed on to the client and the participating bank must explain why a rebate free share class is not available. It is not clear whether this transition regime is subject to a specific time limit.

AFM and the Dutch Ministry of Finance have repeatedly announced that they are in favour of a total ban on inducements for investment firms. This means a ban on inducements for all types of investment services (individual portfolio management, investment advice and execution only), all types of products (not only participations in investment institutions, but also all other products) and all types of inducements (not only distribution fees, but also return fees, referral fees or placement fees). The Netherlands Minister of Finance has announced to strive for a legal total ban on inducements for investment firms that will apply as of 1 January 2014. There is no certainty as to whether and when such legal total ban would take effect, if at all, and what the scope and impact of the ban would be. Any such legal total ban may adversely affect the Issuer's results of operations and financial condition.

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

Being primarily a private banking organisation, the Issuer is exposed to a certain degree of client concentration risk given that its (targeted) clients are high net-worth individuals. Those individuals and their households have, to a certain degree, similar socio-economic characteristics and they are likewise exposed to comparable macroeconomic and regulatory risks. The Issuer specifically aims to offer banking solutions for and banking services to business owners and managers. Its main clients are family businesses and their directors/majority shareholders, business professionals, business executives and healthcare entrepreneurs in the Netherlands and Belgium. In the institutional market, the Bank mainly focuses on comprehensive fiduciary investment solutions. In addition, a limited number of clients will continue to be significant to the Issuer in terms of assets under management. If the Issuer is unable to retain these clients or sufficiently diversify its client base, its results of operations and financial condition may be adversely affected.

#### *Systemic risk*

The Issuer could be negatively affected by the weakness and/or the perceived weakness of other financial institutions, which could result in significant systemic liquidity problems, losses or defaults by other financial institutions and counterparties. Financial services institutions that deal with each other are interrelated as a result of trading, investment, clearing, counterparty and other relationships. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom the Issuer interacts on a daily basis. Concerns about the creditworthiness of sovereigns in Europe and North America have recently intensified. The large sovereign debts and/or fiscal deficits of a number of European countries and the United States have raised concerns regarding the financial condition of financial institutions. Any of the abovementioned consequences of systemic risk could have an adverse effect on the Issuer's ability to raise new funding and its results of operations.

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

There is substantial competition for the types of banking and other products and services that the Issuer provides in the Netherlands and the other regions in which the Issuer conducts large portions of its business. Such competition is affected by consumer demand, technological changes, the impact of consolidation, regulatory actions and other factors. If the Issuer is unable to provide attractive product and service offerings that are profitable, it may lose market share or incur losses on some or all activities. Recent significant developments in the financial markets have resulted in important direct competitors of the Issuer having received or currently receiving state aid. This state aid may have distorting effects on the markets in which the Issuer operates, may affect the position of the Issuer (whether perceived or actual) compared to such competitors within those markets and may therefore have a negative influence on the Bank's competitiveness in the long term.

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

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

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

The business of the Issuer is highly regulated and supervised by several Dutch supervisory authorities. The Issuer is required to hold licenses for its operations and is subject to regulation and supervision by authorities in The Netherlands (such as the Dutch Central Bank (*De Nederlandsche Bank N.V.*), the AFM and NYSE Euronext Amsterdam) and in all other jurisdictions in which it operates. Laws and regulations applied at national level generally grant supervisory authorities broad administrative discretion over the activities of the Issuer, including the power to limit or restrict business activities. It is possible that laws and regulations governing the business of the Issuer or particular products and services could be amended or interpreted in a manner that is adverse to the Issuer, for example, to the extent that existing laws and regulations are amended or future laws and regulations are adopted that (i) reduce or restrict the sale of the products and services the Issuer offers, whether existing or new, or (ii) negatively affect the performance of the products and services the Issuer offers, whether existing or new. The revenues and costs of the Issuer, profitability and available or required regulatory capital could also be affected by an increase or change in the degree of regulation in any of the markets in which the Issuer operates, whether existing or new. Due to the highly complex nature of the regulatory environment in which the Issuer operates, it will entail more costs to ensure that the Issuer is, and will continue to be, in compliance with all applicable laws and regulations at all times, since the volume of regulation is increasing and the scope of the activities may change.

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

### *Minimum regulatory capital and liquidity requirements*

The Issuer is subject to the risk, inherent in all regulated financial businesses, of having insufficient capital resources to meet the minimum regulatory capital requirements. Under Basel II, capital requirements are inherently more sensitive to market movements than under previous regimes. Capital requirements will increase if economic conditions or negative trends in the financial markets worsen. Any failure of the Issuer to maintain its minimum regulatory capital ratios could result in administrative actions or sanctions, which in turn may have a material adverse impact on the Issuer's results of operations. In the future, under the Basel III proposals of the Basel Committee, capital and liquidity requirements will increase. An increased demand from financial institutions for capital and liquidity may have an adverse effect on margin and therefore the Issuer's results of operations.

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

increased capital and liquidity ratios could result in administrative actions or sanctions, which may have an adverse effect on the Issuer's results of operations.

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

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

*The Issuer is exposed to risks of damage to its reputation*

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

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

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

Any damage to the reputation of the Issuer could cause existing customers to withdraw their business from the Issuer and potential customers to be reluctant or elect not to do business with the Issuer. Furthermore, negative publicity could result in greater regulatory scrutiny and influence market or rating agency perception of the Issuer, which, amongst other factors, may make it more difficult for it to maintain its respective credit rating.

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

In 2012, the Issuer has recognized impairment of goodwill and intangible assets related to the acquisition of business banking activities of CenE Bankiers in 2004 and banking activities of Kempen & Co in 2006. The impairment does not relate to Kempen & Co's current activities, due to the fact that the impairment relates to private banking activities which merged with the Van Lanschot organization, while current activities of Kempen & Co consist of asset management, corporate finance and securities activities. Such impairment charges totalled EUR 122 million (net) in the year ended 31 December 2012, in each case, due to the financial sector currently experiencing lower interest and commission income and higher loan losses as a result of market conditions. Given that these difficult macro-economic conditions persist and the economic recovery is taking longer than expected, the forecast returns on the acquired activities are under pressure.



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

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

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

### **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:

#### *The secondary market generally*

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

#### *Limited liquidity in the secondary market*

The secondary markets are currently experiencing severe disruptions resulting from reduced investor demand for securities such as the Notes and increased investor yield requirements for those securities. As a result, the secondary market for securities such as the Notes is experiencing extremely limited liquidity. These conditions may continue or worsen in the future.

Limited liquidity in the secondary market for securities has had a severe adverse effect on the market value of securities. Limited liquidity in the secondary market may continue to have a severe adverse effect on the market value of securities, especially those securities that are more sensitive to currency, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors. Consequently, an investor in the Notes may not be able to sell its Notes readily. The market values of the Notes are likely to fluctuate and may be difficult to determine. Any of these fluctuations may be significant and could result in significant losses to such investor.

### *Exchange rate risks and exchange controls*

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

Government and monetary authorities may impose (as some have done in the past) exchange controls 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. Furthermore, payments may be delayed or no payment at all may be made, should local authorities impose restrictions on exchange or export of certain currencies.

### *Interest rate risks*

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

### *Credit rating risks*

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

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

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

### **Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme**

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

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

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

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

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

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

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

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

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

The Issuer's obligations under Subordinated Notes will be unsecured and subordinated and will rank junior in priority of payment to Senior Liabilities. "**Senior Liabilities**" means (a) the claims of depositors, (b) unsubordinated claims with respect to the repayment of borrowed money and (c) other unsubordinated claims. Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that an investor in Subordinated Notes will lose all or some of his investment should the Issuer become insolvent.

##### Fixed/Floating Rate Notes

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

### Partly Paid Notes

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

### Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

### Notes issued at a substantial discount or premium

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

### Other potential conflicts of interest

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

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

## **Risks related to Notes generally**

### *Modification, waivers and substitution*

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

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

### *European Council Directive 2003/48/EC on the Taxation of Savings Income*

The EU has adopted a directive regarding the taxation of savings income (EC Council Directive 2003/48/EC, the "EU Savings Directive" ). Under the Savings Directive, Member States are required to provide to the tax authorities

of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being 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 15 September 2008, the European Commission issued a report to the Council of the European Union on the operation of the Savings Directive, which included the Commission's advice on the need for changes to the EU Savings Directive. On 13 November 2008, the European Commission published a more detailed proposal for amendments to the Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the Savings Directive, they may amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which, pursuant to the Directive, has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither a paying agent nor any institution where the Notes are deposited would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax.

Prospective Noteholders who are in any doubt as to their position should consult their professional advisers.

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

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

#### *Notes held in global form*

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

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

In relation to any issue of Notes which are expressed to be exchangeable for definitive Notes in circumstances other than an Exchange Event, such notes may only be issued in denominations equal to or greater than €100,000 (or equivalent in another currency) and integral multiples thereof.

#### *Crisis Management Directive and Statutory Loss Absorption*

On 6 June 2012, the European Commission proposed a new directive, known as the Crisis Management Directive, on a comprehensive framework for dealing with ailing banks. This proposed directive includes proposals to give regulators resolution powers, inter alia, to write down the debt of a failing bank (or to convert such debt into capital) to strengthen its financial position and allow it to continue as a going concern, subject to appropriate restructuring

measures being taken. It is currently unclear whether measures ultimately adopted in this area will apply to any debt currently in issue, or whether grandfathering rules will apply.

It is possible that pursuant to the Crisis Management Directive or other resolution or recovery rules which may in the future be applicable to the Issuer (including, but not limited to, the CRD IV Proposals, as defined below), new powers may be granted by way of statute to the Dutch Central Bank and/or any other relevant authority (each, a "**Relevant Authority**") which could be used in such a way as to result in the Notes absorbing losses ("**Statutory Loss Absorption**").

Pursuant to the exercise of any Statutory Loss Absorption measures, the Notes could, in certain circumstances, become subject to a determination by the Relevant Authority or the Issuer (following instructions from the Relevant Authority) that all or part of the principal amount of the Notes, including accrued but unpaid interest in respect thereof, must be written off, converted into common equity Tier 1 capital or otherwise be applied to absorb losses. The rules and regulations giving effect to such Statutory Loss Absorption are likely to provide that such determination shall not constitute an Event of Default and Noteholders will have no further claims in respect of any amount so written off or otherwise as a result of such Statutory Loss Absorption.

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

As used in these risk factors, "**Crisis Management Directive**" means any relevant laws and regulations applicable to the Issuer at the relevant time pursuant to, or which implement, or are enacted with the context of, a directive and/or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms, a draft of which was published on 14 February 2013.

"**CRD IV Directive**" means the Directive of the European Parliament and of the Council on the access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms and amending Directive 2002/87/EC of the European Parliament and of the Council on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate, a draft of which was published on 26 March 2013.

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

"**CRD IV Regulation**" means the Regulation of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms, a draft of which was published on 26 March 2013.

Potential investors should also refer to the risk factors entitled "*Future bank recovery and resolution regimes*", "*Basel III Reforms - Loss absorbency of Subordinated Notes at the point of non-viability*" and "*Change of law*".

#### *Future bank recovery and resolution regimes*

The Dutch legislature has adopted banking legislation dealing with ailing banks (Special Measures Financial Institutions Act, *Wet bijzondere maatregelen financiële ondernemingen*, the "**SMFI**"). The SMFI contains similar legislation to the rules outlined in the draft Crisis Management Directive - see the risk factor entitled "*Crisis Management Directive and Statutory Loss Absorption*" above. Pursuant to the SMFI, substantial new powers are granted to the Dutch Central Bank and the Dutch Minister of Finance enabling them to deal with, inter alia, ailing Dutch banks prior to insolvency. The SMFI aims to empower the Dutch Central Bank or the Minister of Finance, as applicable, to commence proceedings leading 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 (nationalization) of the relevant bank and expropriation of its outstanding debt

securities (which may include the Notes). Subject to certain exceptions, as soon as any of these proposed proceedings have been initiated by the Dutch Central Bank or the Minister of Finance, the relevant counterparties of such bank would not be entitled to invoke events of default or set off their claims against the bank.

Within the context of the resolution tools provided in the SMFI, holders of debt securities of a bank (including the Noteholders) 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 draft Crisis Management Directive includes similar proposals.

It is possible that under the SMFI, or the Crisis Management Directive or any other future similar proposals, any new resolution powers granted by way of statute to the Dutch Central Bank and/or any other relevant authority could be used in such a way as to result in the debt instruments of the Issuer, such as the Notes, absorbing losses or otherwise affecting the rights of Noteholders in the course of any resolution of the Issuer.

It is at this stage uncertain whether the Crisis Management Directive will be adopted and if so, when and in what form. However, the SMFI and, if it were to be adopted in its current form, the Crisis Management Directive could negatively affect the position of Noteholders and the credit rating attached to the Notes, in particular if and when any of the above proceedings would be commenced against the Issuer, since the application of any such legislation may affect the rights and effective remedies of the Noteholders as well as the market value of the Notes.

Potential investors should also refer to the risk factors entitled "*Crisis Management Directive and Statutory Loss Absorption*", "*Basel III Reforms - Loss absorbency of Subordinated Notes at the point of non-viability*" and "*Change of law*".

#### *Basel III Reforms - Loss absorbency of Subordinated Notes at the point of non-viability*

The Basel III reforms (the "**Basel III Reforms**") provide that instruments such as Subordinated Notes, which do not contain any contractual terms providing for their writing off or conversion into ordinary shares upon the occurrence of a Non-Viability Event (as defined below), will, subject to implementation of the Basel III Reforms and to applicable transitional provisions, cease to be eligible to count in full as Tier 2 capital unless, among other things, the jurisdiction of the relevant bank has in place laws that (i) require such instruments to be written down upon the occurrence of a Non-Viability Event, or (ii) otherwise require such instruments fully to absorb losses before tax payers are exposed to loss. The Crisis Management Directive contains proposals for loss absorbency of Subordinated Notes upon the occurrence of a Non-Viability Event.

It is possible that any powers which result from any future change in law to give effect to the Basel III Reforms could be used in such a way as to result in the Subordinated Notes absorbing losses in the manner described in (i) or (ii) above. Accordingly, the operation of any such future legislation may have an adverse effect on the position of Noteholders. See also the risk factors entitled "*Crisis Management Directive and Statutory Loss Absorption*", "*Future bank recovery and resolution regimes*" and "*Change of law*".

As used herein, "**Non-Viability Event**" means the earlier of (a) a decision that a write-off, without which the relevant bank would become non-viable, is necessary; and (b) the decision to make a public sector injection of capital, without which the relevant bank would become non-viable, in each case as determined by the relevant authority. This definition is for illustrative purposes only and may not necessarily reflect the meaning ascribed to the term "non-viability event" (or any term equivalent thereto) pursuant to any law or regulation implementing the Basel III Reforms.

#### *Change of law*

The conditions of the Notes are based on Dutch law in effect at the date of the Prospectus, as supplemented. No assurance can be given as to the impact of any possible judicial decision or change to Dutch, European or any other applicable laws, regulations or administrative practices as of the date of the Prospectus. Such changes in laws may include, but are not limited to, the introduction of a variety of statutory resolution and loss-absorption tools which may affect the rights of holders of securities issued by the Issuer, including the Notes. Such tools may include the

ability to write off sums otherwise payable on such securities at a time when the Issuer is no longer considered viable by its regulator or upon the occurrence of another trigger.

See also the risk factors entitled "*Crisis Management Directive and Statutory Loss Absorption*", "*Future bank recovery and resolution regimes*" and "*Basel III Reforms - Loss absorbency of Subordinated Notes at the point of non-viability*".

#### *Redemption risk in respect of Subordinated Notes*

Subordinated Notes are redeemable at the option of the Issuer if the Dutch Central Bank or other relevant authority has notified the Issuer that due to changes in the regulatory capital rules in force after the relevant issue date, including the implementation of the CRD IV Proposals, the whole outstanding nominal amount of the Subordinated Notes is fully excluded from qualifying as Tier 2 capital of the Issuer for the purposes of the regulatory capital rules applicable to the Issuer at the relevant time (other than the regulatory capital rules in force on the issue date of the relevant Notes), subject to (i) the Dutch Central Bank being satisfied that such disqualification as Tier 2 capital was not reasonably foreseeable at the relevant issue date and (ii) the prior consent of the Dutch Central Bank provided that at the relevant time such consent is required, and upon giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders.

#### *Jurisdiction*

Prospective investors should note that the courts of the Netherlands shall have jurisdiction in respect of any disputes involving any Series of Notes. Noteholders may take any suit, action or proceedings arising out of or in connection with the Notes against the Issuer in any court of competent jurisdiction. The laws of the Netherlands may be materially different from the equivalent law in the home jurisdiction of prospective investors in its application to the Notes.

#### *Foreign Account Tax Compliance withholding may affect payments on the Notes*

The U.S. "Foreign Account Tax Compliance Act" (or "**FATCA**") imposes a new reporting regime and, potentially, a 30% withholding tax with respect to (i) certain payments from sources within the United States, (ii) "foreign passthru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. The Issuer is classified as a financial institution for these purposes. If an amount in respect of such withholding tax were to be deducted or withheld from interest, principal or other payments made in respect of the Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected. Prospective investors should refer to the section '*Taxation – Foreign Account Tax Compliance Act*'.



## OVERVIEW OF THE PROGRAMME

*The following overview does not purport to be complete and is taken from, and is qualified by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. Words and expressions defined in 'Form of the Notes' and 'Terms and Conditions of the Notes' below, respectively, shall have the same meanings in this overview.*

### **The Bank**

F. van Lanschot Bankiers N.V. (the "**Issuer**") is a public company with limited liability (*naamloze vennootschap*) incorporated under Dutch law, having its statutory seat at 's-Hertogenbosch, the Netherlands. The Issuer is registered in the trade register of the Oost-Brabant Chamber of Commerce under no. 16038212.

Van Lanschot N.V. (the "**Parent Guarantor**") is a public company with limited liability (*naamloze vennootschap*) incorporated under Dutch law, having its statutory seat at 's-Hertogenbosch, the Netherlands. Van Lanschot N.V. is registered in the trade register of the Oost-Brabant Chamber of Commerce under no. 16014051.

Any reference herein to "**Bank**" shall mean the Issuer and any reference herein to "**Van Lanschot**" shall mean the Issuer and Van Lanschot N.V. unless the context requires otherwise.

The Bank offers a full range of banking and asset management services to high net-worth individuals in the Netherlands and Belgium, as well as to entrepreneurs and their businesses in the Netherlands. In addition, the Bank's subsidiary Kempen & Co N.V. ("**Kempen & Co**"), which has been a subsidiary of the Bank since 2007, is a Dutch merchant bank active in the areas of asset management, securities brokerage and corporate finance. Kempen & Co offers a range of specialist financial services for institutional investors, businesses, financial institutions, government agencies and semi-public institutions, foundations and high net-worth individuals. Under the "**Van Lanschot Private Office**" brand, the Bank focuses on the top segment of high net-worth individuals (> € 10 million). Furthermore, the Bank offers financial services specifically for business professionals, business executives and healthcare entrepreneurs. The Bank's services are organised into three business segments: Private & Business Banking, Asset Management and Corporate Finance & Securities.

The services to high net-worth individuals revolve around wealth creation and protection. In this context, the Bank is able to offer a wide range of products and services. The Bank applies the principle of open architecture when offering products to clients, which means offering third-party products when this is in the client's interest. In the corporate sector, the Bank seeks to meet the private and professional needs of business owners and managers. Its main clients are family businesses and their directors/majority shareholders. In the institutional market, the Bank mainly focuses on comprehensive fiduciary investment solutions.

The Bank consciously chooses a size that strikes the right balance between offering comprehensive and high-quality advisory services and ensuring a personal approach, with short communication lines. The Bank is attentive and responsive to its clients' needs, while also offering a high degree of professionalism and discretion. Personal relationships are paramount. The Bank greatly values its independence, being the cornerstone of its business model, in which the Bank puts the interests of its clients before all other interests. Therefore, the Bank's actions are guided by its clients' interests.

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

In the Netherlands the Bank has a nationwide presence with branches in most of the country's big towns and cities. This network allows the Bank to offer all financial services throughout the country. In addition, the Bank has seven branches in Belgium ("**Van Lanschot Belgium**"). Van Lanschot Belgium focuses exclusively on high net-worth individuals and institutional investors. Furthermore, the Bank has two branches in Switzerland through other subsidiaries to serve its private clients elsewhere. The activities of the Bank on Curacao and in Luxembourg are

currently being wound down in accordance with the strategic decision to concentrate its international private banking activities in Switzerland for quality and efficiency reasons.

Van Lanschot is the holding company of the Bank and does not employ any other activities with material effects on its financial position.

## Share Capital

All outstanding shares in the share capital of the Bank are held by the holding company Van Lanschot N.V. The authorised share capital of the Bank consists of 400,000 shares of €100 each. All shares are nominative shares. Share certificates have not been issued. All 400,000 shares of the Bank are held by Van Lanschot and have been fully paid up. The authorised share capital of Van Lanschot consists of 135,000,000 shares of €1 nominal value each, and is divided into preference shares C ("**Class C Shares**"), ordinary shares A ("**Class A Shares**") and ordinary shares B ("**Class B Shares**"). Class C Shares have not been issued. The outstanding ordinary share capital of Van Lanschot on the date of this Base Prospectus amounts to €41,016,668 and is divided into 38,705,997 Class A Shares and 2,310,671 Class B Shares. The Class B Shares are held by a number of large shareholders. Under Van Lanschot's articles of association, the transfer of Class B Shares is subject to the prior approval of the Supervisory Board and the Board of Managing Directors of Van Lanschot. The Class A Shares are held by *Stichting Administratiekantoor van gewone aandelen A Van Lanschot* (the "**Trust**"), which has issued depositary receipts for these shares. These depositary receipts are listed on NYSE Euronext Amsterdam. The issuance of depositary receipts does not have a protective nature. In line with the Dutch Corporate Governance Code (the "**Corporate Governance Code**"), the Trust allows holders of depositary receipts to exercise their voting rights at all times. The depositary receipts and Trust only exist so as to sufficiently protect the interests of small holders of depositary receipts, insofar as they do not exercise their voting rights themselves. In such case, the Trust exercises the voting right in the interest of such holder. A depositary receipt can be converted into the underlying Class A Share without any restrictions. The board of the Trust consists of four members and is independent from Van Lanschot. The Trust collects the dividends for the account of the holders of the depositary receipts and distributes the dividends directly to such holders. The shareholders of Van Lanschot are mentioned in the table below.

Shareholder	Class B Shares	Interest %
Stichting Pensioenfonds ABP	980,291	2.39
LDDM Holding B.V.	1,330,380	3.24
	Class A Shares	
Stichting Administratiekantoor van gewone aandelen A Van Lanschot (the Trust)	38,705,997	94.37

## Figures at a glance

The Bank does not publish financial information. The historical financial information for Van Lanschot is set out below. Van Lanschot's audited consolidated balance sheet and profit and loss account as of and for the financial year ended 31 December 2012 are disclosed in this Base Prospectus (see the section '*Financial Statements of Van Lanschot N.V.*'). The financial information included herein is compared with the financial information included in the audited consolidated balance sheets and profit and loss accounts as of and for the financial year ended 31 December 2011. The financial statements as of and for the financial years ended 31 December 2012 and 31 December 2011 of Van Lanschot have been audited by Ernst & Young Accountants LLP. Van Lanschot also publishes unaudited consolidated interim (semi-annual) financial statements. The unaudited consolidated interim (semi-annual) financial statements of Van Lanschot as of and for the period ended 30 June 2012 and 30 June 2011 have been prepared in accordance with IFRS as adopted by the European Union. The Bank's capitalisation (group equity plus subordinated debt plus debt securities) amounted to €4,296,426,000 on 31 December 2012. The indebtedness of the Bank on 31 December 2012 amounted to €13,691,298,000.

<i>(x € million)</i>				
	31/12/2012	30/06/2012	31/12/2011	30/06/2011
<b>Statement of income</b>				
Income from operating activities	524.5	266.1	539.2	289.7
Operating expenses	408.7	205.7	412.3	211.6
Gross result before non-recurring charges	115.8	60.4	126.9	78.1
Non-recurring charges	44.7	11.9	-	-
Impairments	235.4	44.9	78.3	30.4
Operating result before tax	-164.3	3.6	48.6	47.7
Net result	-155.4	5.7	43.1	42.8
Underlying net profit	2.0	16.0	43.1	42.8
Efficiency ratio excluding non-recurring charges (%)	77.9	77.3	76.5	73.0
<i>(x € million)</i>				
	31/12/2012	30/06/2012	31/12/2011	30/06/2011
<b>Balance sheet and capital management</b>				
Equity attributable to shareholders	1,353	1,498	1,507	1,466
Equity attributable to minority interests	53	51	59	320
Savings and deposits	11,369	11,942	13,100	13,225
Loans and advances to customers	13,464	13,994	14,270	15,059
Total assets	17,988	18,462	18,454	19,286
Funding ratio (%)	84.4	85.3	91.8	87.8
Risk-weighted assets	10,535	11,050	11,000	11,528
Core Tier I ratio (%)	11.0	11.0	10.9	10.1
Tier I ratio (%)	11.0	11.0	10.9	12.6
BIS total capital ratio (%)	11.9	12.1	11.9	14.0
Leverage ratio (%)	7.5	8.1	8.2	7.6
<i>(x € billion)</i>				
	31/12/2012	30/06/2012	31/12/2011	30/06/2011
<b>Client assets</b>				
Client assets	52.3	49.4	49.8	49.3
- Assets under management	40.9	37.5	36.7	36.1
- Savings and deposits	11.4	11.9	13.1	13.2
Assets under management	40.9	37.5	36.7	36.1
- Discretionary	29.0	25.2	24.3	22.2
- Non-discretionary	11.9	12.3	12.4	13.9
<i>(x € billion)</i>				
	31/12/2012	30/06/2012	31/12/2011	30/06/2011
<b>Key figures</b>				
Weighted average number of outstanding ordinary shares (x 1,000)	40,883	40,865	40,870	40,865
Earnings per share based on average number of ordinary shares (€)	-3.87	0.11	0.84	0.92

Return on average Core Tier I capital (%)	-13.4	0.7	3.0	6.5
Number of staff (FTEs)	1,862	1,908	2,009	2,010

*These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2012 and 31 December 2011 of Van Lanschot and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot as of and for the periods ended 30 June 2012 and 30 June 2011. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.*

## **The Programme and Terms and Conditions of the Notes**

<i>Issuer:</i>	F. van Lanschot Bankiers N.V.
<i>Van Lanschot N.V.:</i>	The sole shareholder of the Issuer, a public company incorporated under the laws of the Netherlands, and having its statutory seat in 's-Hertogenbosch, the Netherlands. Van Lanschot N.V. has issued a written undertaking of joint and several liability pursuant to the Section 2:403 of the Netherlands Civil Code in respect of, among others, the Issuer.
<i>Description:</i>	Debt Issuance Programme.
<i>Arranger:</i>	Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International).
<i>Dealers:</i>	ABN AMRO Bank N.V. BNP Paribas Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International) DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main F. van Lanschot Bankiers N.V. ING Bank N.V. Kempen & Co N.V. Landesbank Baden-Württemberg The Royal Bank of Scotland plc
<i>Additional Dealers:</i>	Additional Dealers may be appointed by the Issuer under the Programme Agreement.
<i>Risk Factors:</i>	There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Notes and certain other risks related to the Notes issued under the Programme. Those factors and risks include risks relating to the Issuer (see " <i>Risk Factors — Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme</i> "), factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme (see " <i>Risk Factors — Risks related to the market generally</i> "), factors which are material for assessing the market risks associated with the Notes issued under the Programme (see " <i>Risk Factors — Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme</i> "), and factors related to the structure of a particular issue of Notes (see " <i>Risk Factors — Factors related to the structure of a particular issue of Notes</i> ") These are set out under "Risk Factors" below and include the fact that the Issuer's results can be adversely affected by (i) general economic conditions and other business conditions, (ii) systemic risks, (iii) competition (iv) regulatory change and (v) the risk of litigation and litigation.
<i>Regulatory Matters:</i>	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see the section " <i>Subscription and Sale</i> " below).
<i>Issuing and Principal Paying Agent:</i>	Deutsche Bank AG, London Branch

<i>Paying Agents:</i>	Deutsche Bank Luxembourg S.A. Kempen & Co N.V.
<i>Amsterdam Listing Agent:</i>	Kempen & Co N.V.
<i>Luxembourg Listing Agent:</i>	Deutsche Bank Luxembourg, S.A.
<i>Programme Amount:</i>	Up to € 5,000,000,000 (or its equivalent in other currencies calculated as described herein) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
<i>Distribution:</i>	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
<i>Currencies:</i>	Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, Australian dollars, Canadian dollars, Euro, Hong Kong dollars, New Zealand dollars, Sterling, Swiss francs, United States dollars and Japanese yen.
<i>Redenomination:</i>	The applicable Final Terms may provide that certain Notes may be redenominated in Euro. The relevant provisions applicable to any such redenomination are contained in Condition 4.
<i>Maturities:</i>	Such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant specified currency.
<i>Issue Price:</i>	Notes may be issued on a fully paid or a partly paid basis and at an issue price which is at par or at a discount to, or premium over, par.
<i>Form of Notes:</i>	Each Tranche of Notes will (unless otherwise specified in the applicable Final Terms) initially be represented by a temporary global Note in bearer form (the " <b>Temporary Global Note</b> ") which will be deposited on the relevant Issue Date either (i) if the Notes are intended to be issued in NGN form, with a common safekeeper for Euroclear, Clearstream, Luxembourg or Euroclear Netherlands or (ii) if the Notes are not intended to be issued in NGN form, (a) with a common depositary on behalf of Euroclear, Clearstream, Luxembourg or Euroclear Netherlands and/or any other agreed clearing system or (b) with Euroclear Netherlands. The global Note will be exchangeable as described therein for, as specified in the applicable Final Terms, either a permanent global Note in bearer form (the " <b>Permanent Global Note</b> " and together with the Temporary Global Note, the " <b>Global Note</b> ") or Notes in definitive bearer form (the " <b>Definitive Notes</b> ") upon certain conditions including, in the case of a Temporary Global Note where the issue is subject to TEFRA D selling restrictions, upon certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations. The applicable Final Terms will specify that a Permanent Global Note is exchangeable for Definitive Notes either (i) upon not less than 30 days' notice or (ii) upon the occurrence of an Exchange Event, as described in 'Form of the Notes' below. Delivery ( <i>uitlevering</i> ) of Definitive Notes represented by a Global Note deposited with Euroclear Netherlands shall only be possible in the limited circumstances as described in the Dutch Securities Giro Transfer Act as amended from time to time ( <i>Wet giraal effectenverkeer</i> , " <b>Wge</b> ") and such delivery will be made in accordance with the Wge and the rules and regulations of Euroclear Netherlands. Any interest in a Global Note will be transferable only in accordance with the rules and procedures for the time being of either (i) Euroclear, Clearstream, Luxembourg or Euroclear Netherlands and/or any other agreed clearing

system or (ii) Euroclear Netherlands, as appropriate. Definitive Notes to be held in the system of Euroclear Netherlands will be in standard euromarket form.

From 1 January 2007, the central banking system for the euro (the "**Eurosystem**") has ceased to accept bearer debt securities which are not in NGN form as eligible collateral for the Eurosystem's monetary policy and intra-day credit operations by the Eurosystem. The NGN form has been introduced so that Notes may continue to be issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the Eurosystem and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. However, in any particular case such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time.

*Fixed Rate Notes:* Fixed interest will be payable on the date or dates specified in the applicable Final Terms and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms).

*Floating Rate Notes:* Floating Rate Notes will bear interest either at a rate determined (i) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2000 ISDA Definitions or the 2006 ISDA Definitions, as specified in the applicable Final Terms (as published by the International Swaps and Derivatives Association, Inc., and to be obtained at the website [www.isda.org](http://www.isda.org), and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series) or (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service. The Margin (if any) relating to such floating rate will be specified in the applicable Final Terms.

*Interest Period(s) or Interest Payment Date(s) for Floating Rate Notes:* Such Period(s) and Date(s) as may be specified in the applicable Final Terms.

*Other provisions in relation to Floating Rate Notes:* Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both as specified in the applicable Final Terms.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer(s), will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer(s) and specified in the applicable Final Terms.

*Zero Coupon Notes:* Zero Coupon Notes will be offered and sold at a discount or at a premium to their nominal amount or at par and will not bear interest other than in the case of late payment.

*Early Redemption:* The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified instalments (see below), if applicable, or for taxation reasons, for illegality reasons, or pursuant to an issuer call (Senior Notes only), for regulatory reasons (Subordinated Notes only) or following an Event of Default or, in case of Subordinated Notes, for regulatory reasons) or that such Notes will be redeemable at the option of the Issuer and/or the holders of such Notes (the "**Noteholders**") on a date or dates specified prior to such stated maturity and at a price or prices as are indicated in the applicable Final Terms or if no such date is stated in the final terms at the market value (if indicated adjusted for Early Redemption Unwind Costs) or nominal amount of such Notes, depending on the reasons for redemption. The applicable Final Terms may provide that Notes may be repayable in two or more instalments of such amounts and on such dates as indicated in the Final Terms.

Subordinated Notes may only be redeemed early on receipt of written approval of the

Dutch Central Bank (*De Nederlandsche Bank N.V.*) by the party seeking to redeem Subordinated Notes early. The Notes are unsecured obligations of the Issuer and will be redeemed in full by the Issuer. For the purposes of *Besluit Prudentiële Regels Wft* of the Dutch Central Bank (*De Nederlandsche Bank N.V.*) to which the Issuer is subject, Subordinated Notes may qualify as either tier 2 capital ("**Tier 2 Notes**") or tier 3 capital ("**Tier 3 Notes**"), as referred to in *Besluit Prudentiële Regels Wft*.

*Denomination of Notes:* Notes will be issued in such denominations as may be specified in the applicable Final Terms save that the minimum denomination of each Note will be € 100,000 (or its equivalent in another other currency as at the date of issue of the Notes).

*Taxation:* Payments in respect of the Notes will be made subject to any withholding or deduction required pursuant to fiscal and other laws as provided in Condition 6(a). If the applicable Final Terms provide that payments are to be made subject to withholding of applicable Dutch taxes (if any), it will also specify that Condition 7(b) will not apply to the Notes.

*Negative Pledge:* The Senior Notes have the benefit of a negative pledge given by the Issuer as set out in Condition 2.

*Cross Default:* The Senior Notes have the benefit of a cross default as set out in Condition 10.

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

*Status and Characteristics relating to Subordinated Notes:* The Subordinated Notes will constitute unsecured and subordinated obligations of the Issuer and will, subject as set out in the following paragraphs, rank *pari passu* without any preference among themselves and with all other present and future unsecured and subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law and those subordinated obligations expressed to be subordinated to the Subordinated Notes.

The claims of the holders of the Subordinated Notes of each Series (the "**Subordinated Holders**") against the Issuer will:

in the event of the liquidation (*ontbinding*) or bankruptcy (*faillissement*) of the Issuer; or

in the event that a competent court has declared that the Issuer is subjected to emergency regulations (*noodregeling*) as referred to in Article 3:160 of the Netherlands Act on Financial Supervision (*Wet op het financieel toezicht*) and for so long as such situation is in force (such situation being hereinafter referred to as a "**Moratorium**"), be subordinated to (a) the claims of depositors, (b) unsubordinated claims with respect to the repayment of borrowed money and (c) other subordinated claims.

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

Holders of Notes may become subject to a statutory loss absorption regime requiring that the Notes must be written off or converted into common equity Tier 1 instruments or otherwise be applied to absorb losses following which such Holders may lose all or part of their investment.

*Rating:* Notes issued under the Programme have been rated "A-" for long term Senior Notes and "F2" for short term Senior Notes by Fitch Ratings Ltd. ("**Fitch**"); "BBB+" for long term Senior Notes, "A-2" for short term Senior Notes and "BBB" for dated Subordinated Notes by Standard & Poor's Credit Market Services Europe Limited ("**S&P**"). S&P shall rate Tier 3 Notes on a case by case basis. Tranches of Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the above ratings assigned to the Notes. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

An "A" rating by Fitch reflects high credit quality for long-term obligations. "A" ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings. An "F2" rating by Fitch reflects good credit quality for short-term obligations and indicates good intrinsic capacity for timely payment of financial commitments.

An obligation rated "BBB" by S&P exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. A short-term obligation rated "A-2" by S&P is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

The long term ratings may be modified by the addition of a plus ("+") or minus ("-") sign to show relative standing within the major rating categories.

*Listing:* Application may be made for Notes to be issued under the Programme to be listed on NYSE Euronext Amsterdam and on the regulated market of the Luxembourg Stock Exchange (after a Notification has been sent to the CSSF).

Unlisted Notes may also be issued. The applicable Final Terms will state whether or not the Notes are to be listed and, if so, on which stock exchange(s).

*Governing Law:* The Notes, and any non-contractual obligations arising out of or in connection therewith, will be governed by, and construed in accordance with, the laws of the Netherlands.

*Selling Restrictions:* There are selling restrictions in relation to the European Economic Area, the United States, the United Kingdom, the Netherlands and Japan, and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See the section "*Subscription and Sale*" below.



## DOCUMENTS INCORPORATED BY REFERENCE

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

- (a) an English translation of the Articles of Association (*statuten*) of the Issuer and Van Lanschot N.V.;
- (b) the Dutch language publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2012 and an English translation of the publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2011 of Van Lanschot N.V. (including the respective auditor's reports hereon) as included in Van Lanschot N.V.'s annual reports over 2012 on page 71 to 200 and 202 and 2011 on page 65 to 196 and 199 respectively;
- (c) an English translation of the publicly available unaudited consolidated interim (semi-annual) financial statements of Van Lanschot N.V. as of and for the periods ended 30 June 2012 and 30 June 2011 as set forth in the semi-annual reports over those periods;
- (d) only to the extent they apply Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes, the terms and conditions as set forth on page 21 up to and including 41 of the prospectus of the Issuer relating to the Programme dated 6 May 2004;
- (e) only to the extent they apply to Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes, the terms and conditions as set forth on page 31 up to and including 51 of the prospectus of the Issuer relating to the Programme dated 30 August 2005;
- (f) only to the extent they apply to Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes the terms and conditions as set forth on page 32 up to and including 52 of the prospectus of the Issuer relating to the Programme dated 17 August 2006;
- (g) only to the extent they apply to Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes, the terms and conditions as set forth on page 40 up to and including 61 of the prospectus of the Issuer relating to the Programme dated 23 November 2007;
- (h) only to the extent they apply to Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes, the terms and conditions as set forth on page 69 up to and including 171 of the prospectus of the Issuer relating to the Programme dated 5 January 2009;
- (i) only to the extent they apply to Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes, the terms and conditions as set forth on page 69 up to and including 172 of the prospectus of the Issuer relating to the Programme dated 8 January 2010;
- (j) only to the extent they apply to Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes, the terms and conditions as set forth on page 70 up to and including 172 of the prospectus of the Issuer relating to the Programme dated 21 January 2011; and
- (k) only to the extent they apply to Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes, the terms and conditions as set forth on page 75 up to and including 182 of the prospectus of the Issuer relating to the Programme dated 14 March 2012.

The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are deemed to be incorporated herein by reference. Written or oral requests for such documents should be directed to the Issuer at its office set out at the end of this Base Prospectus. In addition, such documents will be available free of charge from the office in Amsterdam of Kempen & Co N.V. in its capacity as Amsterdam listing agent (the "**Amsterdam Listing Agent**") for Notes listed on NYSE Euronext Amsterdam, from the principal office in Luxembourg of Deutsche Bank

Luxembourg S.A. in its capacity as Luxembourg listing agent (the "**Luxembourg Listing Agent**") for Notes which may in future be listed on the regulated market of the Luxembourg Stock Exchange (after the CSSF has been provided with a Notification), and from the website of the Issuer ([www.vanlanschot.nl/vanlanschot/en/about-vanlanschot/investor-relations/debt-investors/debt-issuance-programme.html](http://www.vanlanschot.nl/vanlanschot/en/about-vanlanschot/investor-relations/debt-investors/debt-issuance-programme.html)).

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

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

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

- (a) the Euro equivalent of Notes denominated in another Specified Currency (as defined under '**Form of the Notes**' below) shall be determined, at the discretion of the Issuer, as of the date of agreement to issue such Notes (the "**Agreement Date**") or on the preceding day on which commercial banks and foreign exchange markets are open for business in Amsterdam, in each case on the basis of the spot rate for the sale of the Euro against the purchase of such Specified Currency in the Amsterdam foreign exchange market quoted by any leading bank selected by the Issuer on such date;
- (b) the amount (or, where applicable, the Euro equivalent) of Fixed Rate Notes and Floating Rate Notes (each as defined under '**Form of the Notes**' below) shall be calculated (in the case of Notes not denominated in Euro, in the manner specified above) by reference to the original nominal amount of such Notes (in the case of Partly Paid Notes, regardless of the subscription price paid); and
- (c) the amount (or, where applicable, the Euro equivalent) of Zero Coupon Notes (as defined under '**Form of Notes**' below) and other Notes issued at a discount or premium shall be calculated (in the case of Notes not denominated in Euro, in the manner specified above) by reference to the net proceeds received by the Issuer for the relevant issue.

## IMPORTANT NOTICE

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

Application may be made for certain series of Notes to be issued under the Programme to be listed on NYSE Euronext Amsterdam and on the regulated market of the Luxembourg Stock Exchange (after a Notification has been provided to the CSSF). Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined below) of Notes will be set forth in the final terms (the "**Final Terms**") which will be filed with the AFM if required by the Prospective Directive and its relevant implementing measures in the Netherlands and, if applicable, will be delivered to NYSE Euronext and/or the Luxembourg Stock Exchange on or before the date of issue of the Notes of such Tranche.

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

If the terms of the Programme are modified or amended in a manner which would make this Base Prospectus, as supplemented, inaccurate or misleading, a new Base Prospectus or a supplement to this Base Prospectus will be prepared.

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

Any reference herein to "**Bank**" shall mean the Issuer and any reference herein to "**Van Lanschot**" shall mean the Issuer and Van Lanschot N.V. unless the context requires otherwise.

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

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

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

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall at any time imply that the information contained herein concerning the Issuer and Van Lanschot N.V. is correct at any time subsequent to the date hereof or, as the case may be, the date upon which the Base Prospectus has been most recently amended or supplemented or the balance sheet date of the most recent financial statements deemed to be incorporated by reference into this Base Prospectus or that any other information supplied in connection with the Programme is

correct as of any time subsequent to the date indicated in the document containing the same. The Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer and Van Lanschot N.V. during the life of the Programme. Investors should review, *inter alia*, the most recent financial statements of Van Lanschot N.V. and any other relevant publicly available information when deciding whether or not to purchase any Notes.

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

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

In connection with the issue and distribution of Notes under the Programme, the Dealer who is specified in the applicable Final Terms as the Stabilising Manager (or any duly appointed person acting for the Stabilising Manager) in relation to the relevant series of Notes may over-allot Notes or effect transactions with a view to supporting the market price of the Notes of such series at a level higher than that which might otherwise prevail for a limited period. However, there is no assurance that the Stabilising Manager (or any agent of the Stabilising Manager) will undertake stabilising action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Series of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the relevant issue date and 60 days after the date of the allotment of the Notes of such series. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) in accordance with all applicable laws and regulations amended from time to time.

The Issuer may, in its absolute discretion, perform market making activities as a liquidity provider in respect of certain tranches of Notes.

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

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the EEA which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorized, nor do they authorize, the making of any offer of Notes in any other circumstances.

All references in this document to 'U.S. dollars', 'USD', 'U.S.\$' and '\$' refer to the currency of the United States of America, those to 'Japanese yen', 'JPY', 'yen' and '¥' refer to the currency of Japan, those to 'sterling', 'Stg£', 'GBP' or '£' refer to British pounds sterling and those to 'Euro', 'euro', 'EUR' and '€' refer to the currency introduced on the 1st of January, 1999 at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Communities, as amended (the "**Treaty**"), 'AUD' and 'Australian dollars' to the currency of Australia, 'CAD', 'CA\$' and 'Canadian dollars' to the currency of Canada, 'HKD', 'HK\$' and 'Hong Kong dollar' to the currency of the special administrative region of Hong Kong, 'NZD', 'NZ\$' and 'New Zealand dollar' to the currency of New Zealand, and 'CHF' and 'Swiss franc' to the currency of Switzerland.

## FORM OF THE NOTES

Each Tranche of Notes will (unless otherwise indicated in the applicable Final Terms) be in bearer form and will initially be represented by a Temporary Global Note (or, if so specified in the applicable Final Terms, a Permanent Global Note), without receipts, interest coupons or talons, which will either

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

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

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

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

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

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

Delivery (*uitlevering*) of definitive Notes represented by a Global Note deposited with Euroclear Netherlands shall only be possible in the limited circumstances as described in the Dutch Securities Giro Transfer Act as amended from time to time (*Wet Giraal Effectenverkeer*, "**Wge**") and such delivery will be made in accordance with the Wge and the rules and regulations of Euroclear Netherlands.

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

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

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

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

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

The following legend will appear on all Global Notes held in Euroclear Netherlands: "Notice: This Note is issued for deposit with Euroclear Netherlands at Amsterdam, the Netherlands. Any person being offered this Note for transfer or any other purpose should be aware that theft or fraud is almost certain to be involved."

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

## FORM OF FINAL TERMS

The applicable Final Terms will contain such of the following or other information as is applicable in respect of such Notes (all references to numbered Conditions being to the Terms and Conditions of the relevant Notes):

[Date]

F. van Lanschot Bankiers N.V.  
(incorporated in the Netherlands with its statutory seat in 's-Hertogenbosch)

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

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (the "**Prospectus Directive**" which terms includes amendments thereto, including Directive 2010/73/EU (the "**2010 PD Amending Directive**") to the extent implemented in a relevant host Member State of the European Economic Area to which is referred or in the Netherlands) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 12 April 2013, which constitutes a base prospectus for the purposes of the Prospectus Directive. Terms defined in the Base Prospectus have the same meaning in these Final Terms. Any reference to the Conditions herein is to the Terms and Conditions set forth in pages 48 up to and including 81 of the Base Prospectus. The Base Prospectus is available for viewing at the registered office of the Issuer at Hooze Steenweg 27-31, 5211 JN 's-Hertogenbosch, the Netherlands and copies may be obtained from Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International), Croeselaan 18, 3521 CB Utrecht, the Netherlands and Deutsche Bank Luxembourg S.A., 2 Boulevard Konrad Adenauer, L-1115 Luxembourg, Luxembourg.



## PART A - CONTRACTUAL TERMS

*[The following language applies if the first tranche of an issue which is being increased was issued under a prospectus with an earlier date]*

[Terms used herein shall be deemed to be defined as such, to the extent they apply to Fixed Rate Notes, Floating Rate Notes and/or Zero Coupon Notes in [the terms and conditions as referred to on page 21 up to and including 41 of the prospectus of the Issuer relating to the Programme dated 6 May 2004 (the "**2004 Terms and Conditions**") [the terms and conditions as referred to on page 31 up to and including 51 of the prospectus of the Issuer relating to the Programme dated 30 August 2005 (the "**2005 Terms and Conditions**") [the terms and conditions as referred to on page 36 up to and including 57 of the prospectus of the Issuer relating to the Programme dated 17 August 2006 (the "**2006 Terms and Conditions**") [the terms and conditions as set forth on page 40 up to and including 61 of the prospectus of the Issuer relating to the Programme dated 23 November 2007 (the "**2007 Terms and Conditions**") [the terms and conditions as set forth on page 69 up to and including 171 of the prospectus of the Issuer relating to the Programme dated 5 January 2009 (the "**2009 Terms and Conditions**") [the terms and conditions as set forth on page 69 up to and including 172 of the prospectus of the Issuer relating to the Programme dated 8 January 2010 (the "**2010 Terms and Conditions**") [the terms and conditions as set forth on page 70 up to and including 172 of the prospectus of the Issuer relating to the Programme dated 21 January 2011 (the "**2011 Terms and Conditions**") [the terms and conditions as set forth on page 75 up to and including 182 of the prospectus of the Issuer relating to the Programme dated 14 March 2012 (the "**2012 Terms and Conditions**") which have been incorporated by reference in, and form part of the base prospectus dated 12 April 2013. (the "**Base Prospectus**"). These Final Terms contain the final terms of the Notes and must be read in conjunction with the Base Prospectus[, save in respect of the terms and conditions as contained in pages 48 up to and including 81 thereof (the "**2013 Terms and Conditions**"). This document constitutes the Final Terms of the Notes described herein for the purpose of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus.]

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

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

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

*[NB: if terms and conditions other than the 2013 Terms and Conditions are applicable to an issuance of Notes include correct references to each condition mentioned explicitly by number in the Final Terms to the extent that these number references differ from number references to conditions used in the 2013 Terms and Conditions.]*

- |    |                                   |   |
|----|-----------------------------------|---|
| 1. | Issuer:                           | F. van Lanschot Bankiers N.V.   |
|    | (i) Series Number:                | [...]   |
|    | (ii) Tranche Number:              | [...]   |
|    |                                   | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)</i> |
| 2. | Specified Currency or Currencies: | [EUR/USD/CHF/JPY/GBP/HKD/AUD/CAD/NZD]   |
| 3. | Aggregate Nominal Amount:         |   |

- (i) Series: [...]
- (ii) Tranche: [...]
4. (i) Issue Price: [...] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in case of fungible issues only, if applicable)]
- (ii) Net Proceeds: [...]/[Not Applicable] (required only for issues listed on NYSE Euronext Amsterdam)
5. (i) Specified Denominations: [...]
- [Euro 100,000 and integral multiples of [euro 1,000] in excess thereof up to and including [euro 199,000]. No notes in definitive form will be issued with a denomination above [euro 199,000].]
- (Notes may not be issued in denominations less than Euro 100,000 or the equivalent thereof in another currency).*
- (ii) Calculation Amount: [...]/[Not Applicable] *[(i) if there is only one Specified Denomination, the Specified Denomination of the relevant Notes or (ii) if there are several Specified Denominations, the highest common factor of those Specified Denominations]*
6. (i) Issue Date: [...]
- (ii) Interest Commencement Date: [...]/[Not Applicable]
7. Maturity Date or Redemption Month: [...] [Fixed rate – *specify date*]
- [Other - Interest Payment Date falling in or nearest to *specify month* *specify year* [(the "Scheduled Maturity Date")]
8. Interest Basis: [[...] per cent. Fixed Rate]
- [Floating Rate] [LIBOR/EURIBOR/CMS London/CMS Brussels] +/- [...] per cent.
- [Inverse Floating Rate] [...] per cent. -/[LIBOR/EURIBOR/CMS London/CMS Brussels]
- [Zero Coupon]
- [Non-interest bearing]
- (further particulars specified below)
9. Redemption/Payment Basis: [Redemption at par]
- [Partly Paid]

[Instalment]

(further particulars specified below)

10. Change of Interest Basis: [Condition 5f applies]
- The Interest Basis shall change from [Floating Rate/Inverse Floating Rate/Zero Coupon/Non-interest bearing] to [[Floating Rate/Inverse Floating Rate/Zero Coupon/Non-interest bearing] following the exercise of a Change of Interest Basis Option]
- [Not Applicable]
11. Put/Call Options: [Put Option]
- [Issuer Call]
- [(further particulars specified below)]
12. (i) Status of the Notes: [Senior/Subordinated [(Tier 2/3 Notes)] *Specify the applicable Conditions which apply especially to Subordinated Notes* [Conditions [2/3/7(m)/7(n)/7(o)/10/15/17] apply]
- (ii) Date of resolutions/authorisations/ approval for issuance of Notes obtained: [...]
13. (i) Listing: [NYSE Euronext Amsterdam/the regulated market of the Luxembourg Stock Exchange/None] (*Notes may only be listed on the Luxembourg Stock Exchange after a Notification has been provided to the CSSF*)
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [...] with effect from [...].]
- [Not Applicable]
- (iii) Estimate of total expenses related to admission to trading:\*
- [...]
14. Method of distribution: [Syndicated/Non-syndicated]
15. Name and contact details of Calculation Agent, if not the Issuer: [Not Applicable/name and contact details]

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

16. **Change of Interest Basis Option:** [Applicable/Not Applicable]
- (i) Interest Basis Option Period: [...] Business Days
- (ii) Change of Interest Basis Option Date: [...] /Each Interest Payment Date]

- (iii) Initial Interest Basis: [[...] per cent. Fixed Rate]  
 [Floating Rate] [LIBOR/EURIBOR/CMS London/CMS Brussels] +/- [...] per cent.  
 [Inverse Floating Rate] [...] per cent. -/  
 [LIBOR/EURIBOR/CMS London/CMS Brussels]  
 [Zero Coupon]  
 [Non-interest bearing]
- (iv) Subsequent Interest Basis: [[...] per cent. Fixed Rate]  
 [Floating Rate] [LIBOR/EURIBOR/CMS London/CMS Brussels] +/- [...] per cent.  
 [Inverse Floating Rate] [...] per cent. -/  
 [LIBOR/EURIBOR/CMS London/CMS Brussels]  
*(NB: if terms and conditions applicable to the notes are not the 2013 Terms and Conditions the reference rate for the Interest Basis must be LIBOR or EURIBOR).*  
 [Zero Coupon]  
 [Non-interest bearing]
17. **Fixed Rate Note Provisions:** [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Fixed Rate(s) of Interest: [...] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear]
- (ii) Interest Payment Date(s): [...] in each year up to and including the Maturity Date *(NB: Amend in the case of long or short coupons)*
- (iii) Fixed Coupon Amount(s): [...] per [...] in nominal amount
- (iv) Broken Amount(s): [...] per nominal amount payable on the Interest Payment Date falling [in/on] [...] / [Not Applicable]
- (v) Day Count Fraction: [Actual/Actual (ICMA)]  
 [Actual/365]  
 [Actual/365 (Fixed)]  
 [Actual/365 (Sterling)]  
 [Actual/360]  
 [30/360]

		[Bonds Basis]
		[30E/360]
		[30E/360 (ISDA)]
		[Actual/Actual (ISDA)]
		[Actual/Actual]
(vi)	Interest Determination Date(s):	[...] in each year. <sup>1</sup>
18.	<b>Floating Rate Note Provisions:</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Specified Period(s):	[...]
(ii)	Specified Interest Payment Dates:	[...]
(iii)	Business Day Convention:	
	- Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	- Adjustment or Unadjustment for Interest Period:	[Adjusted] or [Unadjusted]
(iv)	Additional Business Centre(s):	[...]
(v)	Manner in which the Rate of Interest is to be determined:	[Screen Rate Determination/ISDA Determination/Interest Amount]
(vi)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):	[...]
(vii)	Screen Rate Determination:	[Yes/No]
	- Reference Rate:	[...]
		<i>(Either LIBOR, EURIBOR, CMS London or CMS Brussels) (NB: if terms and conditions applicable to the notes are not the 2013 Terms and Conditions, the reference rate must be specified as EURIBOR or LIBOR).</i>
	- Interest Determination Date(s):	[...]
		<i>(Second London business day prior to the start of each Interest Period if LIBOR (other than sterling or Euro LIBOR), first day of each Interest Period if</i>

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<sup>1</sup> *(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon (NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration) (NB: Only relevant for an issue denominated in Euro where Day Count Fraction is Actual/Actual (ICMA))*

*sterling LIBOR and the second day on which the TARGET 2 System is open prior to the start of each Interest Period if CMS London, CMS Brussels, EURIBOR or Euro LIBOR)*

- Relevant Screen Page: [...] (in accordance with the fallback provisions as set out in Condition (5(b))  
  
*(In the case of EURIBOR, if not Reuters EURIBOR 01 ensure it is a page which shows a composite rate)*
- (viii) ISDA Determination: [Yes/No]
  - Floating Rate Option: [...]
  - Designated Maturity: [...]
  - Reset Date: [...]
- (ix) Margin(s): [+/-] [...] per cent. per annum
- (x) Minimum Rate of Interest: [...] per cent. per annum *(NB: if terms and conditions applicable to the notes are not the 2013 Terms and Conditions, the minimum rate of interest must be specified in the Final Terms (this specification can also include "0 per cent. per annum"))*.
- (xi) Maximum Rate of Interest: [...] per cent. per annum
- (xii) Day Count Fraction: [Actual/Actual (ICMA)]  
[Actual/365]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360]  
[Bonds Basis]  
[30E/360]  
[30E/360 (ISDA)]  
[Actual/Actual (ISDA)]  
[Actual/Actual]
- (xiii) Applicable ISDA Definitions: [2000/2006] ISDA Definitions [(as amended and supplemented)]
- (xiv) Inverse Floating Rate Note [Applicable/Not Applicable]
  - Fixed Rate of Interest: [...] per cent. per annum

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

**PROVISIONS RELATING TO REDEMPTION**

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

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Optional Redemption Date(s): [...]
  - (ii) Optional Redemption Amount(s): [...] per [Calculation Amount/Specified Denomination]
  - (iii) Notice period: [...]
22. Final Redemption Amount: [...] per [Calculation Amount/Specified Denomination]
23. Early Redemption Amount: [Applicable/Not Applicable]
- (i) Early Redemption Amount(s) payable on redemption pursuant to Condition 7 (other than 7 (c)), including for, illegality or on event of default (if different from that set out in Condition 7(g): [market value/[paid up] nominal amount] of the Note on the date of redemption [adjusted for Early Redemption Unwind Costs]
  - (ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates: [Yes/No]
  - (iii) Early Redemption Amount(s) payable on redemption pursuant to Condition 7 (other than 7(c) for a tax event: The method as set out in Condition 7(h)
  - (iv) Unmatured Coupons to become void upon early redemption (Definitive Notes and Global Notes in bearer form only): [Yes/No/Not Applicable]
24. Obligatory Redemption: (Condition 7f): [Applicable/Not Applicable]
- (i) Obligatory Redemption Date(s): [...]
  - (ii) Obligatory Redemption Amount of each Note: [...] per [Calculation Amount/Specified Denomination] /[the nominal amount of the Note]

**GENERAL PROVISIONS RELATING TO REDEMPTION**

25. Partly Paid Notes: [Applicable (give details)/Not Applicable]
26. Instalment Notes: [Applicable/Not Applicable (If not applicable, delete the remaining sub-paragraphs of this paragraph)]
- (i) Instalment Date(s): [...]
  - (ii) Instalment Amount(s): [...]
27. Adjustment for Early Redemption Unwind Costs: [Applicable/Not Applicable]



[If Applicable:

[Standard Early Redemption Unwind Costs/[*Insert relevant amount*]]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

28. Form of Notes: [Bearer Notes/Exchangeable Bearer Notes]
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on not less than 30 days' notice given at any time/only upon an Exchange Event [and in case of a Temporary Global Note deposited with Euroclear Netherlands only in the limited circumstances, as described in the Wge.]]
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date.]
- [Permanent Global Note exchangeable for Definitive Notes [on not less than 30 days' notice given at any time/only upon an Exchange Event [and in case of a Temporary Global Note deposited with Euroclear Netherlands only in the limited circumstances, as described in the Wge.]]
29. New Global Note Form: [Applicable/Not Applicable]
30. Additional Financial Centre(s): [Applicable [*specify relevant Additional Financial Centre(s)*]] /Not Applicable]
31. Coupons or Receipts to be attached to Definitive Notes (and dates on which such Coupons or Receipts mature): [Yes/No. *If yes, give details*]
32. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
33. Details relating to Partly Paid Notes: [Applicable/Not Applicable] (*NB: a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues*) (*NB: if terms and conditions applicable to the notes are not the 2013 Terms and Conditions Partly Paid Notes cannot be issued*) (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Part Paid Amount(s): [...]
- (ii) Part Payment Date(s): [...]
34. Details relating to Instalment Notes:
- (i) Instalment Amount(s): [Not Applicable/*give details*]

(ii) Instalment Date(s): [Not Applicable/*give details*]

35. Redenomination: [Applicable/Not Applicable]

*(NB: if terms and conditions applicable to Floating Rate Notes are not the 2013 Terms and Conditions the notes cannot be subject to redenomination) (If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Day Count Fraction applicable to Redenomination calculation:

[Actual/Actual (ICMA)]

[Actual/365]

[Actual/365 (Fixed)]

[Actual/365 (Sterling)]

[Actual/360]

[30/360]

[Bonds Basis]

[30E/360]

[30E/360 (ISDA)]

[Actual/Actual (ISDA)]

[Actual/Actual]

(ii) Reference Rate the Note may be redenominated to: [LIBOR/ EURIBOR/CMS London/CMS Brussels]

36. Whether Condition 8(a) of the Notes applies (in which case Condition 7(b) of the Notes will not apply) or whether Condition 8(b) of the Notes applies: [Condition 8(a) applies and Condition 7(b) does not apply] [Condition 8(b) and Condition 7(b) apply]

**DISTRIBUTION**

37. (i) If syndicated, names of Dealers and underwriting commitments: [Not Applicable/*give names and underwriting commitments*]

*(Include names of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or an a 'best efforts' basis if such entities are not the same as the Dealers)*

*[Please note that the process for notification to potential investors of the amount allotted will be provided for by the Dealer(s)]*

(ii) If non-syndicated, name of relevant Dealer: [...]

- (iii) Stabilising Manager (if any): [Not Applicable/*give name*]
- (iv) Date of Subscription Agreement: [Not Applicable/[...]]
- (v) Total commission and concession: [[...] per cent. of the aggregate nominal amount/Certain fees or commissions will be payable to third party distributors and/or the Notes will be sold at a discount to the Issue Price on the primary sale of the Notes/Not Applicable/(*Specify if other*)]

[Not Applicable]

38. U.S. Selling Restrictions: Regulation S Compliance Category 2  
[TEFRA D/TEFRA C/TEFRA Not Applicable]

## PART B - OTHER INFORMATION

### LISTING AND ADMISSION TO TRADING

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

*(where documenting a fungible issue indicate that original Notes are already admitted to trading)*  
*(Notes may only be listed on the Luxembourg Stock Exchange after the Base Prospectus has been passported to Luxembourg)*

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

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

### OPERATIONAL INFORMATION

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

		in the aforementioned publications]
		[[No]/D/d]ealing in the Notes will be possible before the aggregate principal amount of the Notes is announced as set out above.]
		[Not Applicable]]
		[The offer price is [equal to the Issue Price] [...]]
7.	Reduction of subscriptions:	[Subscriptions in excess. If the Issuer determines to increase or decrease the aggregate principal amount of the Notes to be issued this will be announced by the Issuer at [...] hours ([...] time) on [...] or such earlier or later date or time as the Issuer may determine and will be announced in the aforementioned publications.]
8.	Maximum and minimum subscription amount:	[...] and [...]
9.	Method and time limit for paying up the securities and for delivery of the securities:	[...]
10.	Procedure for exercise of any right of pre-emption the negotiability of subscription rights and the treatment of subscription rights not exercised:	[...]
11.	Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes/No]  [Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] [include this text if "yes" is selected in which case the Notes must be issued in NGN form]
12.	Indication of yield ( <i>Fixed Rate Notes only</i> ):	[Calculated as [...] on the Issue Date] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
13.	Notices to be published in an English language daily newspaper of general circulation in London:	[Yes/No]
14.	ISIN:	[...]
	Common code:	[...]
	Other relevant code:	[...]

15. Ratings: [The Notes to be issued have not been rated.]
- [The Notes to be issued have been rated:
- [S & P: [...]]
- [Fitch: [...]]
- [Other: Include here a brief explanation of the meaning of the ratings if this deviates from the explanations given in "General Information" published by the rating provider.] \*\*
- [[Insert the full legal name of credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]
- [[Insert the full legal name of credit rating agency] is established in the European Union and registered under Regulation (EC) No 1060/2009.]
- (ii) Notification to maturity: The [AFM] [has been requested to provide/has provided (*include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues*)] the [Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg/the Financial Services and Markets Authority in Belgium (FSMA)/Specify other] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive as implemented in the Netherlands.]
16. Interests of natural and legal persons involved in the Issue: [Save for any fees payable to the Dealers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.
- (Amend as appropriate if there are other interests)]
17. Identification of the sources of third party information, if applicable: [Not Applicable / [...]]
18. Reasons for the offer, estimated net proceeds and total expenses:
- (i) Reasons for the offer: [...]
- (See ['Use of Proceeds'] wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)
- (ii) Estimated net proceeds: [...]
- (If proceeds are intended for more than one use will

*need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

(iii) Estimated total expenses: [...] [Include breakdown of expenses]

19. Details of historic [LIBOR/EURIBOR/CMS London/CMS Brussels] rates can be obtained from [Reuters Screen].]

## **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for listing and admission to trading on [NYSE Euronext Amsterdam/the official list of the Luxembourg Stock Exchange] of the Notes described herein pursuant to the EUR 5,000,000,000 Debt Issuance Programme of F. van Lanschot Bankiers N.V.].

*(Notes may only be listed on the Luxembourg Stock Exchange after the Base Prospectus has been passported to Luxembourg)*

## **RESPONSIBILITY**

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

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

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

Signed on behalf of the Issuer:

By:  
Duly authorised officer(s)

## TERMS AND CONDITIONS OF THE NOTES

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

This Note is one of a Series (as defined below) of Notes issued by F. van Lanschot Bankiers N.V. (the "**Issuer**" or the "**Bank**"), pursuant to the Agency Agreement (as defined below). References to the Issuer are solely to F. van Lanschot Bankiers N.V. and do not include its subsidiaries. References to subsidiaries are to subsidiaries as meant in Section 2:24a of the Netherlands Civil Code. References herein to the "Notes" (which expression shall include Senior Notes and Subordinated Notes, each as defined below) shall be references to the Notes of this Series and shall mean (i) in relation to any Notes represented by a global note (the "**Global Note**"), units of the lowest Specified Denomination in the Specified Currency, (ii) definitive notes (the "**Definitive Notes**") issued in exchange for a Global Note and (iii) any Global Note. The Notes, the Receipts (as defined below) and the Coupons (as defined below) also have the benefit of an amended and restated agency agreement to be dated on or 12 April 2013 as amended and restated from time to time (the "**Agency Agreement**") made between the Issuer, Deutsche Bank AG, London Branch as issuing and principal paying agent and agent bank (in such capacity the "**Agent**", which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents).

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

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

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

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

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



are binding on them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

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

In these Terms and Conditions:

***General Definitions:***

<b>Additional Financial Centre</b>	any financial centre, specified as such, in the applicable Final Terms.
<b>Affiliate</b>	any entity controlled directly or indirectly, by the Issuer, any entity that controls, directly or indirectly, the Issuer, or any entity under common control with the Issuer. As used herein <b>control</b> means the ownership of a majority of the voting power of the entity and <b>controlled by</b> and <b>controls</b> shall be construed accordingly.
<b>Amortised Face Amount</b>	has the meaning specified in Condition 7(g)(iii).
<b>Arranger</b>	Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International).
<b>Arrears of Interest</b>	has the meaning specified in Condition 5(e).
<b>Bearer Note</b>	any Note in bearer form.
<b>Broken Amount</b>	the amount specified as such in the applicable Final Terms.
<b>Business Day</b>	a day which is both: <ul style="list-style-type: none"><li>(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation and any Additional Financial Centre specified in the applicable Final Terms; and</li><li>(ii) either (1) in relation to any sum payable in a Specified Currency (as specified in the applicable Final Terms) other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre(s) of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Wellington, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET 2 System is open.</li></ul>
<b>Calculation Agent</b>	the Issuer or, if different, the entity as specified in the applicable Final Terms. All determinations and calculations made by the

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

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

- (v) if '30/360', '360/360' or 'Bond Basis' is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula based as follows:

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

where:

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

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

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

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

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

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

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

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

where:

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

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

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

"M<sub>2</sub>" is the calendar month, expressed as a number, in

which the day immediately following the last day of the Interest Period falls;

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

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

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

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

where:

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

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

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

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

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

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

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

Determination Period, the sum of: (x) the number of days in such Interest Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and (y) the number of days in such Interest Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year.

<b>Determination Period</b>	each period from (and including) an Interest Determination Date to (but excluding) the next Interest Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not an Interest Determination Date, the period commencing on the first Interest Determination Date prior to, and ending on the first Interest Determination Date falling after, such date).
<b>Distribution Compliance Period</b>	the period that ends 40-days after the completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer(s) (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue).
<b>DNB</b>	Dutch Central Bank ( <i>De Nederlandsche Bank N.V.</i> ).
<b>Documents</b>	has the meaning specified in Condition 17(a)(i).
<b>Early Redemption Amount</b>	an amount equal to the market value of each Note on the date of redemption, adjusted, if so specified in the applicable Final Terms, to account for Early Redemption Unwind Costs.
<b>Early Redemption Unwind Costs</b>	the amount specified as such in the applicable Final Terms or, if Standard Early Redemption Unwind Costs are specified in the applicable Final Terms, an amount determined by the Calculation Agent in its sole and absolute discretion equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer, or its Affiliates, in connection with the redemption of the Notes and the related termination, settlement or re-establishment of any hedge or related trading position, such amount to be apportioned pro rata amongst each nominal amount of Notes in the Specified Denomination.
<b>EURIBOR</b>	the Euro-zone inter-bank offered rate.
<b>euro, Euro or EUR</b>	the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty on the functioning of the European Union, as amended from time to time, and as defined in article 2 of Council Regulation (EC) no.974/98 of 3 May 1998 on the introduction of the euro as amended from time to time.
<b>Euroclear</b>	Euroclear Bank S.A./N.V.
<b>Euroclear Netherlands</b>	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.

<b>Eurosystem</b>	the central banking system for the euro.
<b>Established Rate</b>	the rate for conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into Euro established by the Council of the European Union pursuant to Article 123 of the Treaty.
<b>Exchangeable Bearer Notes</b>	any Bearer Note which is in the applicable Final Terms expressed to be exchangeable for a definitive Note.
<b>Exchange Event</b>	(i) an Event of Default (as defined in Condition 10) has occurred and is continuing or (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg and/or if applicable Euroclear Netherlands and/or if applicable, any other clearing system has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing system is available.
<b>Exchange Notice</b>	has the meaning specified in Condition 4.
<b>Extraordinary Resolution</b>	a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions herein contained by a majority consisting of not less than 75 per cent. of the persons voting thereat upon a show of hands or if a poll be duly demanded then by a majority consisting of not less than 75 per cent. of the votes given on such poll.
<b>Final Redemption Amount</b>	an amount equal to the nominal amount of each Note, unless otherwise specified in these Conditions.
<b>Fixed Coupon Amount</b>	the amount specified as such in the applicable Final Terms.
<b>Fixed Rate of Interest</b>	any fixed rate of interest specified as such in the applicable Final Terms.
<b>Fixed Interest Period</b>	the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.
<b>Fixed Rate Note</b>	any Note to which a Fixed Rate of Interest applies as specified in the applicable Final Terms.
<b>Floating Rate Convention</b>	has the meaning specified in Condition 5(b)(i).
<b>Floating Rate</b>	any floating interest rate specified as such in the applicable Final Terms.
<b>Floating Rate Note</b>	any Note to which a Floating Rate applies as specified in the applicable Final Terms.
<b>Following Business Day Convention</b>	has the meaning specified in Condition 5(b)(i).
<b>Holder</b>	the holder of any Note, Receipt, Coupon or Talon.
<b>Initial Interest Basis</b>	the initial interest basis applicable on the Issue Date as specified in the applicable Final Terms.

<b>Instalment Amount</b>	the amount specified as such in the applicable Final Terms.
<b>Instalment Date</b>	the date specified as such in the applicable Final Terms.
<b>Instalment Note</b>	any Note that may be repayable in two or more instalments as specified in the applicable Final Terms.
<b>Interest Amount</b>	has the meaning specified in Condition 5(b)(iv).
<b>Interest Basis Option Date</b>	the interest basis option date as specified in the applicable Final Terms.
<b>Interest Basis Option Period</b>	the interest basis option period as specified in the applicable Final Terms.
<b>Interest Commencement Date</b>	the Issue Date unless otherwise specified in the applicable Final Terms.
<b>Interest Determination Date</b>	the interest determination date as specified in the applicable Final Terms.
<b>Interest Payment Date(s)</b>	has the meaning specified in Condition 5(b)(i).
<b>Inverse Floating Rate</b>	any inverse floating rate of interest specified as such in the applicable Final Terms.
<b>Inverse Floating Rate Note</b>	any Note to which an Inverse Floating Rate applies as specified in the applicable Final Terms.
<b>ISDA Definitions</b>	has the meaning specified in Condition 5(b)(ii)(A).
<b>ISDA Determination</b>	the method for determining the interest rate of Floating Rate Notes as specified in Condition 5(b)(ii)(A).
<b>ISDA Rate</b>	has the meaning specified in Condition 5(b)(ii)(A).
<b>Issue Date</b>	the issue date specified as such in the applicable Final Terms.
<b>Issue Price</b>	the issue price of the Notes specified as such in the applicable Final Terms.
<b>Issuer Call</b>	has the meaning specified in Condition 7(c).
<b>LIBOR</b>	the London inter-bank offered rate.
<b>London Business Day</b>	has the meaning specified in Condition 5(b)(v).
<b>Long Maturity Note</b>	has the meaning specified in Condition 6(b).
<b>Margin</b>	the margin applicable to the Notes specified as such in the applicable Final Terms.
<b>Maturity Date</b>	the date of maturity of the Notes as specified in the applicable Final Terms.
<b>Maximum Rate of Interest</b>	the maximum rate of interest specified as such in the applicable Final Terms.

<b>Minimum Rate of Interest</b>	the minimum rate of interest specified as such in the applicable Final Terms or if no such rate is stated the Minimum Rate of Interest shall be deemed zero.
<b>Modified Following Business Day Convention</b>	has the meaning specified in Condition 5(b)(i).
<b>Moratorium</b>	has the meaning specified in Condition 3.
<b>NAFS</b>	has the meaning specified in Condition 3.
<b>Noteholder</b>	the several persons who are for the time being holders of outstanding Notes being the bearers thereof save that, in respect of the Notes of any Series, for so long as the Notes or any part of them are represented by a Global Note held on behalf of Euroclear, Clearstream, Luxembourg or Euroclear Netherlands each person (other than Euroclear, Clearstream, Luxembourg or Euroclear Netherlands) who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg or Euroclear Netherlands as the holder of a particular nominal amount of the Notes of the Series (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg or Euroclear Netherlands as to the nominal amount of the Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be deemed to be the holder of that nominal amount of Notes (and the holder of the relevant Global Note shall be deemed not to be the holder) for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the holder of the relevant Global Note shall be treated by the Issuer and any Paying Agent as the holder of the Notes in accordance with and subject to the terms of the relevant Global Note.
<b>Obligation or Obligations</b>	has the meaning specified in Condition 2.
<b>Obligatory Redemption</b>	if specified as applicable in the applicable Final Terms, the obligation of the Issuer to redeem the Notes on the applicable Obligatory Redemption Date(s) by payment of the applicable Obligatory Redemption Amount.
<b>Obligatory Redemption Amount</b>	if Obligatory Redemption is specified as applicable in the applicable Final Terms, an amount as specified in the applicable Final Terms, and if no such amount is specified, the nominal amount of such Note.
<b>Obligatory Redemption Date(s)</b>	if Obligatory Redemption is specified as applicable in the applicable Final Terms the date(s) specified in the applicable Final Terms as being the Obligatory Redemption Date(s).
<b>Optional Redemption Amount</b>	an amount specified as such in the applicable Final Terms, and if no such amount is specified, the nominal amount of such Note.
<b>Optional Redemption Date(s)</b>	if specified as applicable in the applicable Final Terms, the date(s) designated and notified by the Issuer to the Noteholders (in the event an Issuer Call option is applicable) or by the Noteholders to the Issuer (in the event Put Option is declared applicable).



<b>Own Funds</b>	the amount of shareholders' and other funds which qualify as actual own funds ( <i>toetsingsvermogen</i> ) under <i>Besluit Prudentiële Regels Wft.</i>
<b>Partly Paid Note</b>	any Note where the issue price is payable in more than one instalment as specified in the applicable Final Terms.
<b>Payment Day</b>	any day (subject to Condition 9) which is both: <ul style="list-style-type: none"> <li>(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in: <ul style="list-style-type: none"> <li>a. the case of Notes in definitive form only, the relevant place of presentation; and</li> <li>b. any Additional Financial Centre specified in the applicable Final Terms; and</li> </ul> </li> <li>(ii) either (1) in relation to any sum payable in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Additional Financial Centre and which if the Specified Currency is Australian Dollars or New Zealand Dollars shall be Sydney or Wellington respectively) or (2) in relation to any sum payable in Euro, a day on which the TARGET 2 System is open.</li> </ul>
<b>Permanent Global Note</b>	a permanent global Note in bearer form.
<b>Preceding Business Day Convention</b>	has the meaning specified in Condition 5(b)(i).
<b>Put Notice</b>	has the meaning specified in Condition 7(d).
<b>Put Option</b>	has the meaning specified in Condition 7(d).
<b>Rate of Interest</b>	either the Fixed Rate of Interest, Floating Rate or Inverse Floating Rate as specified in the applicable Final Terms.
<b>Redeemed Notes</b>	has the meaning specified in Condition 7(c)(ii).
<b>Redenomination Date</b>	in the case of interest bearing notes, any date for payment of interest under the Notes or, in the case of Zero Coupon Notes, any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph (a) of Condition 4 and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union.
<b>Reference Banks</b>	has the meaning specified in Condition 5(b)(ii)(B).
<b>Reference Price</b>	the reference price specified as such in the applicable Final Terms.

<b>Reference Rate</b>	the rate specified as such in the applicable Final Terms being either CMS London, CMS Brussels, EURIBOR or LIBOR.
<b>Relevant Date</b>	in respect of any Note, Receipt or Coupon means (a) the date on which payment in respect of it first becomes due, (b) (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (c) (if earlier) the date on which notice is duly given to the Noteholders that, upon further presentation of the Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.
<b>Relevant Indebtedness</b>	has the meaning specified in Condition 2.
<b>Relevant Screen Page</b>	such page, section, caption or column or other part of a particular information service as may be specified in the applicable Final Terms.
<b>Screen Rate of Interest</b>	has the meaning specified in Condition 5(b)(ii)(B).
<b>Screen Rate Determination</b>	the method for determining the interest rate of Floating Rate Notes as specified in Condition 5(b)(ii)(B).
<b>Securities Act</b>	the United States Securities Act of 1933, as amended.
<b>Security or Securities</b>	has the meaning specified in Condition 2.
<b>Selection Date</b>	has the meaning specified in Condition 7(c)(ii).
<b>Senior Note</b>	any Note, indicated as such in the Final Terms, that constitutes an unsecured and unsubordinated obligation of the Issuer and ranks <i>pari passu</i> without any preference with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law.
<b>Specified Currency</b>	the currency of the Notes specified as such in the applicable Final Terms.
<b>Specified Denomination or SD</b>	the denomination of the Notes specified as such in the applicable Final Terms.
<b>Specified Interest Payment Date</b>	the interest payment date indicated as such in the applicable Final Terms.
<b>Specified Time</b>	has the meaning specified in Condition 5(b)(ii)(B).
<b>Specified Period</b>	has the meaning specified in Condition 5(b)(i).
<b>Subsequent Interest Basis</b>	subject to the conditions set out in Condition 5(f) the interest basis indicated as such in the applicable Final Terms that shall commence to apply upon exercise of the the Change of Interest Basis Option.
<b>Subordinated Holders</b>	has the meaning specified in Condition 3.
<b>Subordinated Note</b>	any Note, indicated as such in the Final Terms, that, subject to the terms set out in Condition 3, constitutes an unsecured and subordinated obligation of the Issuer and ranks <i>pari passu</i> without

any preference with all other present and future unsecured and subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law or those subordinated obligations expressed by their terms to be subordinated to such Notes.

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

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

The Notes are in bearer form and, in the case of Definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s), save that in the case of any Notes the minimum Specified Denomination shall be € 100,000 (or its equivalent in any other currency as at the date of issue of the Notes).

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

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

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

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

Notes will be in a denomination or denominations (each of which denominations must be integrally divisible by each smaller denomination) specified in the relevant Final Terms. Notes of one denomination will not be exchangeable after their initial delivery for Notes of any other denominations, subject to Condition 4.

Subject as set out below, title to the Notes, Receipts and Coupons will pass by delivery. For Notes held by Euroclear Netherlands or otherwise in the clearing system under the Dutch Giro Securities Transfer Act as amended from time to time (*Wet giraal effectenverkeer "Wge"*) deliveries will be made in accordance with the Wge and the regulations of Euroclear Netherlands. Except as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer, the Agent and any Paying Agent may deem and treat the bearer of any Note, Receipt or

Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

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

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

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

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

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

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

**"Relevant Indebtedness"** means

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

### 3. Status and Characteristics relating to Subordinated Notes

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

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

- (i) in the event of the liquidation (*ontbinding*) or bankruptcy (*faillissement*) of the Issuer; or
- (ii) in the event that a competent court has declared that the Issuer is subjected to emergency regulations (*noodregeling*) as referred to in Article 3:160 of the Netherlands Act on Financial Supervision (*Wet op het financieel toezicht "NAFS"*) and for so long as such situation is in force (such situation being hereinafter referred to as a "**Moratorium**"),

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

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

For the purposes of *Besluit Prudentiële Regels Wft* of DNB to which the Issuer is subject, the Subordinated Notes of this Series may qualify as either tier 2 capital ("**Tier 2 Notes**") or tier 3 capital ("**Tier 3 Notes**"), as referred to in *Besluit Prudentiële Regels Wft*, as specified in the applicable Final Terms.

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

### 4. Redenomination

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

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

- (i) the Notes and the Receipts shall be deemed to be redenominated into Euro with a nominal amount for each Note and Receipt equal to the nominal amount of that Note or Receipt in the Specified Currency, converted into Euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Agent, the market practice at that time in respect of the redenomination in Euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;

- (ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest €0.01;
- (iii) if Definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in denominations of not less than € 100,000 (as determined by the Issuer in consultation with the Agent) and such other denominations as the Agent shall determine and notify to the Noteholders;
- (iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement Euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New Euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Agent may specify in consultation with the Issuer where practicable and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (v) on or after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in Euro as though references in the Notes to the Specified Currency were to Euro. Payments will be made in Euro by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee;
- (vi) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention; and
- (vii) if the Notes are Floating Rate Notes, the Issuer may adjust the reference rate of the Notes to any of LIBOR, EURIBOR, CMS London or CMS Brussels and, if required, any or all Interest Payment Dates as it deems necessary in accordance with the then pertaining market practice taking into account the redenomination and in order to preserve the economic equivalent of the obligations of the Issuer in respect of interest under such Notes.

## 5. Interest

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

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

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

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

(b) *Interest on Floating Rate Notes*

(i) Interest Payment Dates

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

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

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

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

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

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

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

(ii) Rate of Interest

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

(A) ISDA Determination for Floating Rate Notes

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

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

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

(B) Screen Rate Determination for Floating Rate Notes

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

- (1) the offered quotation for the Reference Rate (if there is only one quotation on the Relevant Screen Page); or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations, (expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or CMS London, or Brussels time, in the case of EURIBOR or CMS Brussels) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent.



If five or more such offered quotations are available on the relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

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

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

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

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

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

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

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

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

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

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

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

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

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

(v) Notification of Rate of Interest and Interest Amount

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

(or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the Notes are for the time being listed and to the Noteholders in accordance with Condition 14.

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

(vi) *Certificates to be final*

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

(c) *Interest on Partly Paid Notes*

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

(d) *Accrual of Interest*

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

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

(e) *Deferral of Interest on Tier 3 Notes*

Notwithstanding anything to the contrary contained elsewhere in this Condition 5, if this Note is a Tier 3 Note interest will not be payable on any Interest Payment Date if and to the extent that at the time of, or as a result of such payment the Issuer's actual Own Funds would amount to less than 100 per cent. of the Issuer's required minimum amount of Own Funds under the Solvency Guidelines. Any interest in respect of this Note not paid on an Interest Payment Date on which such interest would otherwise be payable will constitute arrears of interest ("**Arrears of Interest**") and will become payable and will be paid by the Issuer as soon as and to the extent that the Issuer will, after such payment has been made, meet the solvency test referred to in the previous sentence. Any Arrears of Interest will also become fully payable on the date of the dissolution of the Issuer, the date on which the Issuer is declared bankrupt or the date on which a Moratorium resulting from the application of emergency measures as referred to in Article 3:160 of the NAFS is declared in respect of the Issuer. Where any amount of interest or Arrears of Interest is not paid in full, each part payment shall be made *pro rata* to the Tier 3 Noteholders of this Series and shall be in respect of the interest accrued furthest from the date of payment. Any Arrears of Interest shall not themselves bear interest.

(f) *Change of Interest Basis Option*

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

such stock exchange) and having given:

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

(b) notice to the Agent, not less than the number of Business Days equal to the Interest Basis Option Period prior to the date on which the Issuer Change of Interest Basis Option shall be effective,

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

## **6. Payments**

### *(a) Method of Payment*

Subject as provided below:

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

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

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

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

Payments of instalments of principal (if any), other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt. Payment of the final instalment will be made in the manner provided in paragraph (a) above against surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Note. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Note to which it appertains. Receipts presented without the Definitive Note to which they

appertain do not constitute valid obligations of the Issuer. Upon the date on which any Definitive Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive form (other than Long Maturity Notes) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of five years after the date on which such principal first became due (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due. Upon any Fixed Rate Note becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons in respect of any such Talons will be issued.

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

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

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

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

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

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;

- (ii) payment of the full amount of such interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(c) *Payment Day*

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

(d) *Interpretation of Principal and Interest*

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

- (i) any additional amounts which may be payable with respect to principal under Condition 8;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Instalment Notes, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7(g)(iii)); and
- (vii) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

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

## **7. Redemption and Purchase**

(a) *At Maturity*

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

(b) *Redemption for Tax Reasons*

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

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8(b) as a result of any change in, or amendment to, the laws or regulations of the Netherlands or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes; and

- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

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

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

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

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

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

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

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

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

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

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

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

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

*(e) Redemption for illegality*

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

*(f) Obligatory Redemption*

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

*(g) Early Redemption Amounts*

For the purpose of paragraph (b) above and Condition 8, the Notes will be redeemed at the Early Redemption Amount calculated as follows:



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

*(h) Instalments*

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

*(i) Partly Paid Notes*

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

*(j) Purchases*

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

*(k) Cancellation*

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

*(l) Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 10 is

improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (g)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

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

*(m) Deferral of Principal of Tier 3 Notes*

If this Note is a Tier 3 Note, principal will not be repayable on the due date thereof if and to the extent that at the time or as a result of such payment the Issuer's actual Own Funds would amount to less than 100 per cent. of the Issuer's required minimum amount of Own Funds under *Besluit Prudentiële Regels Wft*. Any principal not paid on the date on which such principal would otherwise be payable will be paid by the Issuer if and to the extent that the Issuer will meet the solvency test referred to in the previous sentence. Any arrears of principal will also become fully payable on the date of dissolution of the Issuer, the date on which the Issuer is declared bankrupt or the date on which emergency measures as referred to in Article 3:160 of the NAFS is declared in respect of the Issuer. Where any amount of principal is paid in part, each part payment shall be made *pro rata* to the Tier 3 Noteholders. Any arrears of principal shall continue to bear interest at the applicable rate.

*(n) Redemption of Subordinated Notes*

Subordinated Notes may only be redeemed early upon receipt of the written approval of such redemption by the Dutch Central Bank.

*(o) Redemption for regulatory reasons of Subordinated Notes*

The Subordinated Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable) if the Issuer is notified in writing by the Dutch Central Bank or other relevant supervisory authority that under the applicable rules and regulations at any time during which period the Subordinated Notes are outstanding the whole of the outstanding principal amount of the Subordinated Notes is fully excluded from Tier 2 capital (or as another form of regulatory capital under the then Applicable Capital Adequacy Regulations) of the Issuer for the purposes of the determination of its regulatory capital (or as another form of regulatory capital under the then Applicable Capital Adequacy Regulations), as the case may be (the "**Regulatory Event**"). For the avoidance of doubt, there shall be no Regulatory Event if all or part of the Subordinated Notes are eligible by their terms to be included in Tier 2 capital by reason of any transitional or grandfathering provision under the CRD IV Proposals.

A redemption of the Subordinated Notes pursuant to this sub-clause may only be effected if the Dutch Central Bank or relevant supervisory authority is satisfied the aforementioned disqualification of the Subordinated Notes as regulatory capital was not reasonably foreseeable at the relevant Issue Date.

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

"**CRD IV Directive**" means the Directive of the European Parliament and of the Council on the access to the activity

of credit institutions and the prudential supervision of credit institutions and investment firms and amending Directive 2002/87/EC of the European Parliament and of the Council on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate, a draft of which was published on 26 March 2013.

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

"**CRD IV Regulation**" means the Regulation of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms, a draft of which was published on 26 March 2013.

## **8. Taxation**

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

- (a) make the required withholding or deduction of such taxes, duties, assessments or governmental charges for the account of the holders of the Notes, Receipts or Coupons, as the case may be, and shall not pay any additional amounts to the holders of the Notes, Receipts or Coupons or
- (b) pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:
  - (i) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with the Netherlands other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof; or
  - (ii) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
  - (iii) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day (assuming that day to have been a Payment Day as defined in Condition 6(c)); or
  - (iv) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26th-27th November, 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive; or
  - (v) presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used herein, the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the

date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14. If this Note is a Tier 3 Note, to the extent that any amount is not payable or repayable pursuant to Condition 5(e) or 7(n), the Relevant Date shall be the date on which any such amount becomes first payable or repayable.

## **9. Prescription**

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

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

## **10. Events of Default**

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

- i. default is made for more than 14 days in the payment of interest or principal in respect of the Notes; or
- ii. the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for the period of 30 days next following the service on the Issuer of notice requiring the same to be remedied; or
- iii. the Issuer fails in the due repayment of borrowed money in excess of €15,000,000 and such failure continues for a period of 14 days after notice of such failure has been received by the Issuer, provided that no event of default shall be deemed to have occurred if the Issuer shall contest its liability in good faith or shall have been ordered not to make such a payment by a competent court; or
- iv. an order is made or an effective resolution is passed for the winding up or liquidation of the Issuer unless this is done in connection with a merger, consolidation or other form of combination with another company and such company assumes all obligations contracted by the Issuer in connection with the Notes; or
- v. the Issuer is declared bankrupt or a declaration is made in respect of the Issuer under Article 3:163(1)(b) of the NAFS in respect of the Issuer; or
- vi. emergency measures in respect of the Issuer as referred to under Article 3:160 of the NAFS are declared;

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

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

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as may be incurred in

connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

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

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

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

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

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

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

## **13. Exchange of Talons**

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

## **14. Notices**

All notices regarding the Notes shall be published (i) by way of press release, (ii) if so specified in the applicable Final Terms in a leading English language daily newspaper of general circulation in London, (iii) on the website of the Issuer, and (iv) if and for so long as the Notes are listed on the regulated market of the Luxembourg Stock Exchange, in a daily newspaper of general circulation in Luxembourg or on the website of the Luxembourg Stock

Exchange (www.bourse.lu). It is expected that such publication will be made in the Financial Times in London (in the case of (ii) above) and in the Luxemburger Wort (in the case of (iv) above). Any such notice will be deemed to have been given on the date of the first publication in all the newspapers in which such publication is required to be made.

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

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

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

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

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

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

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

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

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

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

## **16. Further Issues**

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

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

- (a) The Issuer may, with the consent of the Noteholders or Couponholders which will be deemed to have been given in respect of each issue of Notes on which no payment of principal or interest is in default and (in the case of Subordinated Notes) after written approval of the Dutch Central Bank, be replaced and substituted by any directly or indirectly wholly owned subsidiary of the Issuer (the "**Substituted Debtor**") as principal debtor in respect of the Notes and the relative Receipts and Coupons provided that:
  - (i) such documents shall be executed by the Substituted Debtor and the Issuer as may be necessary to give full effect to the substitution (the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substituted Debtor shall undertake in favour of each Noteholder, Receiptholder and Couponholder to be bound by the Terms and Conditions of the Notes and the provisions of the Agency Agreement as fully as if the Substituted Debtor had been named in the Notes, and the relative Receipts and Coupons and the Agency Agreement as the principal debtor in respect of the Notes and the relative Receipts and Coupons in place of the Issuer and pursuant to which the Issuer shall guarantee, in favour of each Noteholder and
  - (ii) each holder of the relative Receipts and Coupons the payment of all sums (including any additional amounts payable pursuant to Condition 8(b)) payable in respect of the Notes and the relative Receipts and Coupons;
  - (iii) without prejudice to sub-paragraph (i) hereof, where the Substituted Debtor is incorporated, domiciled or resident for taxation purposes in a territory other than the Netherlands, the Documents shall contain a covenant and/or such other provisions as may be necessary to ensure that each Noteholder has the benefit of a covenant in terms corresponding to the provisions of Condition 8 with the substitution for the references to the Netherlands of references to the territory in which the Substituted Debtor is incorporated, domiciled and/or resident for taxation purposes. The Documents shall also contain a covenant by the Substituted Debtor and the Issuer to indemnify and held harmless each Noteholder, Receiptholder and Couponholder against all liabilities, costs, charges and expenses, provided that insofar as the liabilities, costs, charges and expenses are taxes or duties, the same arise by reason of a law or regulation having legal effect or being in reasonable contemplation thereof on the date such substitution becomes effective, which may be incurred by or levied against such holder as a result of any substitution pursuant to this Condition and which would not have been so incurred or levied had such substitution not been made (and, without limiting the foregoing, such liabilities, costs, charges and expenses shall include any and all taxes or duties which are imposed on any such Noteholder, Receiptholder or Couponholder by any political sub-division or taxing authority of any country in which such Noteholder, Receiptholder or Couponholder resides or is subject to any such tax or duty

and which would not have been so imposed had such substitution not been made);

- (iv) the Documents shall contain a warranty and representation by the Substituted Debtor and the Issuer (a) that each of the Substituted Debtor and the Issuer has obtained all necessary governmental and regulatory approvals and consents for such substitution and the performance of its obligations under the Documents, and that all such approvals and consents are in full force and effect and (b) that the obligations assumed by each of the Substituted Debtor and the Issuer under the Documents are valid and binding in accordance with the respective terms and enforceable by each Noteholder, Receiptholders;
  - (v) each stock exchange which has Notes listed thereon shall have confirmed that following the proposed substitution of the Substituted Debtor such Notes will continue to be listed on such stock exchange;
  - (vi) the Substituted Debtor shall have delivered to the Agent or procured the delivery to the Agent of a legal opinion from a leading firm of local lawyers acting for the Substituted Debtor to the effect that the Documents constitute legal, valid and binding obligations of the Substituted Debtor, such opinion to be dated not more than 3 days prior to the date of substitution of the Substituted Debtor for the Issue and to be available for inspection by Noteholders, Receiptholders and Couponholders at the specified office of the Agent;
  - (vii) the Issuer shall have delivered to the Agent or produced the delivery to the Agent of a legal opinion from a leading firm of Dutch lawyers acting for the Issuer to the effect that the Documents (including the new guarantee) constitute legal, valid and binding obligations of the Issuer, such opinion to be dated not more than 3 days prior to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders, Receiptholders and Couponholders at the specified office of the Agent; and
  - (viii) the Issuer shall have delivered to the Agent or procured the delivery to the Agent of a legal opinion from a leading firm of Dutch lawyers (which may be the same lawyers referred to in (vi) above) to the effect that the Documents constitute legal, valid and binding obligations of the Substituted Debtor under Dutch law, such opinion to be dated not more than 3 days prior to the date of substitution of the Substituted Debtor for the Issue and to be available for inspection by Noteholders, Receiptholders and Couponholders at the specified office of the Agent.
- (b) In connection with any substitution effected pursuant to this Condition, neither the Issuer, nor the Substituted Debtor need have any regard to the consequences of any such substitution for individual Noteholders, Receiptholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and no Noteholder, Receiptholder or Couponholder, except as provided in Condition 17(a)(ii), shall be entitled to claim from the Issuer, or any Substituted Debtor, under the Notes and the relative Receipts and Coupons, any indemnification or payment in respect of any tax or other consequences arising from such substitution.
- (c) In respect of any substitution pursuant to this Condition in respect of the Subordinated Notes of any Series, the Documents shall provide for such further amendment of the Terms and Conditions of the Subordinated Notes as shall be necessary or desirable to ensure that the Subordinated Notes of such Series constitute subordinated obligations of the Substituted Debtor, subordinated to no greater extent than the Issuer's obligations prior to its substitution to make payments of principal in respect of the Subordinated Notes of such Series under Condition 3 of the Terms and Conditions.
- (d) With respect to the Subordinated Notes, the Issuer shall be entitled, after written approval of the Dutch Central Bank and by notice to the Noteholders given in accordance with Condition 14 at any time either to effect a substitution which does not comply with paragraph (c) above provided that the terms of such substitution have been approved by an Extraordinary Resolution of the Noteholders or to waive any and all rights to effect a substitution of the principal debtor pursuant to this Condition. Any such notice of waiver



shall be irrevocable.

- (e) Upon the execution of the Documents as referred to in paragraph (a) above, and subject to the notice referred to in paragraph (g) below having been given, the Substituted Debtor shall be deemed to be named in the Notes and the relative Receipts and Coupons as the principal debtor in place of the Issuer and the Notes and the relative Receipts and Coupons shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents shall operate to release the Issuer as issuer from all of its obligations as principal debtor in respect of the Notes and relative Receipts and Coupons prior to release and shall inure for the benefit of Noteholders, Receiptholders and Couponholders.
- (f) The Documents shall be deposited with and held by the Agent for so long as any Notes, Receipts or Coupons remain outstanding and for so long as any claim made against the Substituted Debtor by any Noteholder, Receiptholder or Couponholder in relation to the Notes or the relative Receipts and Coupons or the Documents shall not have been finally adjudicated, settled or discharged. The Substituted Debtor and the Issuer shall acknowledge in the Documents the right of every Noteholder, Receiptholder and Couponholder to the production of the Documents for the enforcement of any provision of the Notes or the relative Receipts and Coupons or the Documents.
- (g) Not later than 15 business days after the execution of the Documents, the Substituted Debtor shall give notice thereof to the Noteholders in accordance with Condition 14.

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

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

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

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the Bank for its general corporate purposes.

## F. VAN LANSCHOT BANKIERS N.V.

### General

F. van Lanschot Bankiers N.V. (the "**Issuer**", or the "**Bank**") was incorporated on 9 March 1970, but can be considered to be the oldest independent Dutch private bank with a history dating back to 1737. All outstanding shares in the capital of the Bank are held by the holding company Van Lanschot N.V. (together with the Bank, "**Van Lanschot**") and accordingly, Van Lanschot has complete control over the Bank. Both companies are public companies with limited liability (*naamloze vennootschappen*) incorporated under Dutch law and have their statutory seats at 's-Hertogenbosch, the Netherlands. The Bank is active in various countries and operates under the law of various countries. The Bank is registered in the Oost-Brabant Chamber of Commerce and Industry under No. 16038212. Van Lanschot is registered in the Oost-Brabant Chamber of Commerce and Industry under No. 16014051. The address of both the Bank and Van Lanschot is Hooge Steenweg 27-31, 5211 JN 's-Hertogenbosch, the Netherlands, telephone number +31 (0)73 548 3548. The date of incorporation of Van Lanschot is 21 February 1953.

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

The Bank offers a full range of banking and asset management services to high net-worth individuals in the Netherlands and Belgium, as well as to entrepreneurs and their businesses in the Netherlands. In addition, the Bank's subsidiary Kempen & Co N.V. ("**Kempen & Co**"), which has been a subsidiary of the Bank since 2007, is a Dutch merchant bank active in the areas of asset management, securities brokerage and corporate finance. Kempen & Co offers a range of specialist financial services for institutional investors, businesses, financial institutions, government agencies and semi-public institutions, foundations and high net-worth individuals. Under the "**Van Lanschot Private Office**" brand, the Bank focuses on the top segment of high net-worth individuals (> € 10 million). Furthermore, the Bank offers financial services specifically for business professionals, business executives and healthcare entrepreneurs. The Bank's services are organised into three business segments: Private & Business Banking, Asset Management and Corporate Finance & Securities.

The services to high net-worth individuals revolve around wealth creation and protection. In this context, the Bank is able to offer a wide range of products and services. The Bank applies the principle of open architecture when offering products to clients, which means offering third-party products when this is in the client's interest. In the corporate sector, the Bank seeks to meet the private and professional needs of business owners and managers. Its main clients are family businesses and their directors/majority shareholders. In the institutional market, the Bank mainly focuses on comprehensive fiduciary investment solutions.

The Bank consciously chooses a size that strikes the right balance between offering comprehensive and high-quality advisory services and ensuring a personal approach, with short communication lines. The Bank is attentive and responsive to its clients' needs, while also offering a high degree of professionalism and discretion. Personal relationships are paramount. The Bank greatly values its independence, being the cornerstone of its business model, in which the Bank puts the interests of its clients before all other interests. Therefore, the Bank's actions are guided by its clients' interests.

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

In the Netherlands the Bank has a nationwide presence with branches in most of the country's big towns and cities. This network allows the Bank to offer all financial services throughout the country. In addition, the Bank has seven branches in Belgium ("**Van Lanschot Belgium**"). Van Lanschot Belgium focuses exclusively on high net-worth individuals and institutional investors. Furthermore, the Bank has two branches in Switzerland through other

subsidiaries to serve its private clients elsewhere. The activities of the Bank on Curacao and in Luxembourg are currently being wound down in accordance with the strategic decision to concentrate its international private banking activities in Switzerland for quality and efficiency reasons.

Depository receipts for Van Lanschot shares, representing 94.37 per cent. of the ordinary share capital, are traded on NYSE Euronext Amsterdam.

Van Lanschot has issued a written undertaking of joint and several liability for all debts arising from any legal act of the Bank under Section 2:403 of the Netherlands Civil Code (the "**403-Declaration**"). As a consequence, the Bank does not publish a full balance sheet and profit & loss account.

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

## Regulatory Status

The Bank qualifies as a bank within the meaning of EU directive 2000/12/EC. The Bank is authorised by the Dutch Central Bank (*De Nederlandsche Bank N.V.*, "**DNB**") to pursue the business of a bank (*bank*) in the Netherlands, in accordance with the Netherlands Act on Financial Supervision (*Wet op het financieel toezicht*) and is consequently supervised by DNB. In addition, the Bank is supervised by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, "**AFM**") for the purpose of market conduct supervision.

## Capitalisation

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

<i>(x € million)</i>				
	<b>31/12/2012</b>	<b>30/06/2012</b>	<b>31/12/2011</b>	<b>30/06/2011</b>
<b>Share capital and reserves</b>				
Issued and fully paid	41,017	41,017	41,017	41,017
Reserves	1,311,807	1,456,634	1,466,228	1,425,060
Equity instruments issued by subsidiaries	37,195	36,620	43,650	305,415
Minority interests	15,665	14,648	14,973	14,671
<b>Group Equity</b>	<b>1,405,684</b>	<b>1,548,919</b>	<b>1,565,868</b>	<b>1,786,163</b>
Subordinated debt	132,482	139,654	152,764	155,879
<b>Total group equity and subordinated debt</b>	<b>1,538,166</b>	<b>1,688,573</b>	<b>1,718,632</b>	<b>1,942,042</b>
<b>Loan capital</b>				
Debt securities	2,758,260	2,040,279	2,342,002	2,487,462
<b>Total capitalisation</b>	<b>4,296,426</b>	<b>3,728,852</b>	<b>4,060,634</b>	<b>4,429,504</b>

*These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2012 and 31 December 2011 of Van Lanschot and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot as of and for the periods ended 30 June 2012 and 30 June 2011. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.*

## **History and structure of the Bank**

The activities of the Bank, which until 1954 operated exclusively from offices in 's-Hertogenbosch, have since spread throughout the Netherlands. The Bank now has a nationwide presence with branches in most of the country's large cities. Its first subsidiary outside the Netherlands was established during the seventies of the last century, in Curacao, Netherlands Antilles ("**Van Lanschot Curacao**"). In 1989, the Bank started its international private banking activities through a subsidiary in Luxembourg. In 1991, Van Lanschot Belgium was incorporated as a separate legal entity, which merged into the Bank in 2012. Van Lanschot Belgium operates at present seven branches and Belgium is the second home market of the Bank. In 1995, F. van Lanschot Bankiers (Schweiz) A.G. began business in Zurich and in September 1996 in Geneva. The activities of the Bank on Curacao and in Luxembourg are currently being wound down in accordance with the strategic decision to concentrate its international private banking activities in Switzerland for quality and efficiency reasons.

In 2004 the Bank acquired the shares of CenE Bankiers N.V. ("**CenE Bankiers**"). CenE Bankiers provides financial services to high net-worth individuals and medium-sized businesses, specialising particularly in healthcare, a segment in which it has a substantial market share. The acquisition of CenE Bankiers represented an outstanding opportunity for the Bank to consolidate its position as pre-eminent bank for high net-worth individuals and further expand its business banking operations. At the end of 2005 the integration of CenE Bankiers into the Bank was fully completed. On 21 December 2009, the Bank announced that it had reached an agreement with N.V. Bank Nederlandse Gemeenten ("**BNG**") on the sale of CenE Bankiers' institutional healthcare portfolio to BNG. This sale reinforces the Bank's private banking strategy, under which the Bank increasingly targets high net-worth individuals, entrepreneurs and their businesses. In line with the Bank's private banking strategy, the Bank will continue its services to entrepreneurs in the healthcare sector and medical specialists.

On 2 January 2007, the Bank acquired the shares of Kempen & Co. Kempen & Co is a Dutch merchant bank providing a range of financial services in asset management, corporate finance and securities brokerage. The acquisition resulted in a considerable increase of the assets under management, a stronger investor profile for Private Banking target client groups and increased the professionalism and knowledge in manager selection and specific niche markets. Furthermore it increased the Bank's client base above €1 million. In the first six months of 2007, the Bank's activities in the field of the securities trading and asset management were combined with those of Kempen & Co in Amsterdam. The close collaboration between the Bank and Kempen & Co means that high-quality investment solutions and other services for institutional clients are also available to the Bank's private clients.

## **Structure of Van Lanschot**

All outstanding shares in the share capital of the Bank are held by the holding company Van Lanschot. Van Lanschot's only asset, besides a small amount of liquidities placed with the Bank or intragroup debts, is 100 per cent. of the shares of the Bank. There are no other activities within Van Lanschot other than the 100 per cent. holding and aforementioned liquidities/debts. There is no intention to change this situation. Van Lanschot does not and will not make investments. In addition, it does not sell products and/or provide services of any kind. Van Lanschot only operates under Netherlands law.

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

## **Shareholders of the Bank and Van Lanschot**

All outstanding shares in the share capital of the Bank are held by the holding company Van Lanschot. The authorised share capital of the Bank consists of 400,000 shares of €100 each. All shares are nominative shares. Share certificates have not been issued. All 400,000 shares of the Bank are held by Van Lanschot and have been fully paid-up. The authorised share capital of Van Lanschot consists of 135,000,000 shares of €1 nominal value each, and is divided into preference C shares ("**Class C Shares**"), ordinary A shares ("**Class A Shares**") and ordinary B shares ("**Class B Shares**"). Class C Shares have not been issued. The outstanding ordinary share capital

of Van Lanschot on the date of this Base Prospectus, amounts to €41,016,668 and is divided into 38,705,997 Class A Shares and 2,310,671 Class B Shares. The Class B Shares are held by a number of large shareholders. Under Van Lanschot's articles of association, the transfer of Class B Shares is subject to the prior approval of the Supervisory Board and the Board of Managing Directors of Van Lanschot. The Class A Shares are held by *Stichting Administratiekantoor van gewone aandelen A Van Lanschot* (the "**Trust**"), which has issued depositary receipts for these shares. These depositary receipts are listed on NYSE Euronext Amsterdam. The issuance of depositary receipts does not have a protective nature. In line with the Dutch Corporate Governance Code (the "**Corporate Governance Code**"), the Trust allows holders of depositary receipts to exercise their voting rights at all times. The depositary receipts and Trust only exist so as to sufficiently protect the interests of small holders of depositary receipts, insofar as they do not exercise their voting rights themselves. In such case, the Trust exercises the voting right in the interest of the relevant holder. A depositary receipt can be converted into the underlying Class A Share without any restrictions. The board of the Trust consists of four members and is independent from Van Lanschot. The Trust collects the dividends for the account of the holders of the depositary receipts and distributes the dividends directly to such holders of the depositary receipts. The shareholders of Van Lanschot are mentioned in the table below.

Shareholder	Class B Shares	Interest %
Stichting Pensioenfonds ABP	980,291	2.39
LDDM Holding B.V.	1,330,380	3.24
	Class A Shares	
Stichting Administratiekantoor van gewone aandelen A Van Lanschot (the Trust)	38,705,997	94.37

### Board practices of Van Lanschot

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

Van Lanschot subscribes to the principles of the Corporate Governance Code.

Chapter II of the Corporate Governance Code sets out the principles and best practices to apply to the Board of Managing Directors. Van Lanschot complies with all the principles and best practice provisions of the Corporate Governance Code except for best practice provision II.2.5 and III.2.1. for the reasons set out below.

**II.2.5 of the Corporate Governance Code.** This provision states among other things that depositary receipts of shares granted to board members without financial consideration shall be retained for a period of at least five years or until at least the end of employment of such board member, if this period is shorter. When paying variable pay to the members of the Board of Managing Directors, part of this payment done in the form of depositary receipts of shares may be sold (after three years, at the time the depositary receipts of shares become unconditional).

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

**III.2.1. of the Corporate Governance Code.** This provision states among other things that all members of the supervisory board, with the exception of not more than one person, shall be independent within the meaning of best practice provision III.2.2. With the appointment of Ms Kersten as a member of the Supervisory Board on 11 May

2011, Van Lanschot has two members of the Supervisory Board which are not independent in the meaning of best practice provision III.2.2. of the Corporate Governance Code.

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

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

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

#### **Audit and Compliance Committee of Van Lanschot**

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

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

The Audit and Compliance Committee met on five occasions during the year 2012 and these meetings were attended by a delegation of the Board of Managing Directors. The meetings were also attended by the external auditor, the head of Group Audit, the head of Financial Control and, if his area of responsibility was being discussed, the head of the Compliance department.

The Audit and Compliance Committee discussed the annual plan, the progress reports and the annual report of Group Audit, as well as the annual plan and reports of the Compliance department. In a combined meeting of the Supervisory Board, the subject of internal control in the risk areas covered by the Audit and Compliance Committee was extensively discussed. In the meeting of the Audit and Compliance Committee in December 2011, the reports of Group Audit and the external auditors on the quality and effectiveness of the functioning of the Bank's governance, risk management and business processes were addressed. The Audit and Compliance Committee agreed to the proposed change in the collaboration model between the external auditors and Group Audit. This change means that the external auditors will gradually take over Group Audit's financial audit work with effect from the financial year 2010. There were also discussions about the contacts with DNB and AFM and the audit reports issued by those

authorities based on their examinations. The Audit and Compliance Committee held meetings with the external auditor without company officials being present.

## **Strategic objectives**

### *Mission*

To offer high-quality financial services to wealthy individuals, entrepreneurs and other select client groups, whereby the interest of our clients is leading.

### *Vision*

Van Lanschot aims to be the best Private Bank in the Netherlands and Belgium.

### *Strategy*

- Focus on Private Banking
- Enhance commercial effectiveness
- Invest continually in service quality
- Maintain a solid profile

### *Core values*

Our core values are to be independent, committed, professional and ambitious.

### *Targets*

To be able to measure the achievement of its vision, Van Lanschot has formulated targets relating to clients and employees and financial ratios; Van Lanschot aims to realise the targets in harmony with all its stakeholders.

### *Targets with respect to clients and employees*

- Market share: achieve higher growth in our target group markets
- Client satisfaction: continue to outperform the benchmark in the loyalty index
- Investment performance: achieve a higher risk-weighted investment performance than the benchmark
- Client care: apply and continually improve a client care policy that is leading in the sector and that goes further than the statutory obligations
- Employer: be an employer of choice for top talent in the financial sector

### *Financial targets*

- Core Tier I ratio: at least 10%, in due course to 12%
- Leverage: ratio of total assets/equity less than 20
- Net Stable Funding Ratio: higher than the Basel III requirement, at least 100%
- Liquidity Coverage Ratio: higher than the Basel III requirement, at least 100%
- Return on Equity (Core Tier I capital): within 12-18 months approx. 10%, in the medium term higher than 12%
- Growth in earnings per share: at least 5% per annum, after a return to normal profit levels of at least €4 per share in 2013
- Dividend policy: 40-50% of net profit attributable to ordinary shareholders

The extent and pace of the economic recovery will determine in part the time it will take for the Bank to return to normalised profit levels. In view of the uncertainty surrounding the current economic crisis, the Bank expects that the financial targets will not be achieved before 2015.

In November 2012, the rating agency S&P downgraded the Bank's long-term counterparty credit rating to "BBB+" (stable outlook). In its press release of 16 November 2012, S&P states that the lowering of the long term credit rating



is due mainly to the revision of the risk score of The Netherlands and an increased cost of risk owing to the weaker domestic environment in which the Bank operates. This credit rating was affirmed by S&P on 15 March 2013 with a revised outlook from stable to negative. The outlook revision reflects S&P's view on the ongoing impact of the difficult economic environment in the Netherlands on the Bank's profitability.

An obligation rated "BBB" by S&P exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

In November 2011, the rating agency Fitch reconfirmed the Bank's credit rating at "A-" (stable outlook). In its report, Fitch states that the affirmation of the credit rating is due in part to the Bank's low risk profile, strong liquidity and funding, solid capital ratios and good credit quality. "A" ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings. On 7 November 2012, Fitch affirmed the Bank's credit rating at "A-" and revised its outlook from stable to negative.

### **Risk policy**

Against the background of its aim to be the best Private Bank of the Netherlands and Belgium, with a stable profitability and a solid profile, the Bank only takes risks it understands. The Bank focuses on the client and avoids risks threatening the Bank's stability and solidity. The organisation of risk management in relation to the risk appetite of the Bank has been laid down in a Risk Appetite Framework.

The risks specific to the situation of the Bank that are material for taking investment decisions and that may affect the Bank's ability to fulfil its obligations under the Notes are limited. The Bank pursues a prudent risk policy, and risk management and control are important elements of its business operations. In accordance with the risk classification outlined by DNB, banks such as the Bank may be subject to liquidity risk, market risk, operational risk, ICT risk, integrity risk, risk of fraud, outsourcing risk and credit risk. With respect to the Bank's exposure to credit risk the following is noted. The Bank's loan acceptance policy is directed at maintaining the quality of its loan portfolio. Up to a conservative limit and subject to strict acceptance criteria, the power to approve and renew loans is delegated to branch office management, who are supported in this task by regional credit managers. The power to approve loans in excess of €3 million is reserved to the Central Credit Committee, whose members include the Board of Managing Directors. The Central Credit Committee also ensures that the loan portfolio has a well-balanced spread. The Bank's loan acceptance policy is directed at maintaining the good quality of its loan portfolio. The non-retail loans and advances portfolio is given a rating, based on certain rating models. For many years now, the Bank has pursued a conservative loan approval policy. The loan portfolio is considered to have a low risk profile, which is partly attributable to the fact that more than half of the loan portfolio consists of home mortgages, while exposures outside the Benelux region are limited.

### **Cost reduction and investments in quality**

On 30 January 2012, the Bank announced that it is initiating an investment and cost reduction programme in response to the changing market conditions, increased competition and new client demands. This programme has two areas of focus. Firstly, the Bank will invest in its services, building on its traditional focus on private banking and the client. In addition, the Bank will heighten its efficiency and permanently lower its cost base.

The Bank will invest an additional amount of €30 million in the period 2012 to 2015 in the quality of the organisation, in particular in its employees and systems; this will further enhance the level of service it provides to its clients. The relationship model of the Private Bank will be extended and intensified. This will have consequences for the branch network. The lending business will be used more exclusively for director-owners and their businesses, which are an important feeder for the private bank. Additional efficiencies and synergies will be achieved by further intensifying the collaboration between the Bank and its subsidiary Kempen & Co.

The Bank's ambitions in Belgium remain unchanged. In the other international activities the Bank is looking into opportunities to realise additional efficiencies and synergies.

At the same time the Bank plans to accelerate its investments in systems, including a new securities system and online platform. Furthermore, new systems in the mid and back offices will deliver substantial efficiency gains and quality improvements in the coming years.

Within the scope of the investment and cost reduction programme, the following concrete measures were implemented in 2012:

- New regional structure for Private & Business Banking, with a reduction in the number of branches to 21 and the opening of the first client reception location.
- Concentration of banking and investment knowledge in teams focusing on specific market regions.
- Centralisation of international private banking activities in Switzerland and the closing of the branches in Luxembourg and Curacao.
- Integration of Van Lanschot's investment department into Kempen Capital Management.
- Introduction of online execution only and advisory services (*Zelf Beleggen and VIPinvest Advies*).
- Outsourcing of payment services to Equens.

Of the planned total reduction of 300 FTEs (15%) in the period through 2014, the headcount was reduced by 147 FTEs in 2012, from 2,009 FTEs to 1,862 FTEs (down 7%) at 31 December 2012. Salary costs were down €8.2 million in 2012 thanks to this programme. Accelerated investments in systems and processes resulted in additional IT expenses of €13.1 million in 2012. These investments will bring greater efficiency, a reduction in headcount and costs and a further improvement of client services.

With the successful execution of the investment and cost reduction programme, the bank seeks to lower its cost level to about €380 million in 2015 (operating expenses exclusive of non-strategic investments).

Thanks to the initiatives and measures taken in 2012, the Bank is on course to achieve this target by 2015.

The measures of the investment and cost reduction programme will mean a 10-15% reduction in the number of job positions in the period from 2012 to 2015. This will partly be achieved through natural attrition, but the Bank cannot exclude the possibility of forced redundancies. The Bank expects to incur reorganisation charges of €25 million in the coming years in connection with this programme.

A number of measures are in the form of proposals that still have to be submitted to the works council for advice. A new redundancy plan for the Bank was agreed with the trade unions in April 2012.

### **Strategic review**

The Bank has taken a number of key measures to maintain its solid position and to ensure the Bank remains profitable in future. The investment and cost reduction programme has already started to deliver, and the Bank has invested in improving services for clients. The loan portfolio underwent a thorough review, with the necessary provisions being formed, in keeping with our prudent strategy.

Given the prevailing climate, the underlying positive result in 2012 underlines the strength and earning capacity of the Bank. However, the Bank is not satisfied with the current profitability. The Bank is therefore undertaking a strategic review aimed at supporting its ambition of positioning the Bank as a strong, independent private bank. The Bank aims to make clear choices to make full use of the potential of the Bank in the field of private banking, asset management and merchant banking. A solid base and a clear focus on future growth are key elements for the Bank's performance. The Bank expects to inform the market about this no later than in May 2013.

### **Developments ahead**

Political, financial and economic developments in Europe will continue to drive market developments in 2013. The implementation of Basel III reforms leads to an increased demand from financial institutions for capital and liquidity. Such increased demand has an adverse effect on margin. Furthermore the Bank mainly operates in the Netherlands en Belgium, in which markets involvement of governmental organizations of the respective jurisdictions is considerable. In addition, important direct competitors of the Bank have received or are receiving state aid. This may have a negative influence on the Bank's competitiveness in the long term. New or increased financial services laws

and/or regulations governing the Issuer's business and an adequate IT infrastructure demand considerable efforts and investments from a bank with a similar scale as the Bank. Regulatory restrictions and limitations such as a ban on third party inducements and/or distribution fees (*provisieverbod*) may require banks such as the Bank to reassess their sources of income and client proposition. For these reasons the Bank expects another challenging year ahead. The above mentioned developments are set out in more detail in the section 'Risk Factors' above. During the first months of this year the Bank has seen a few signs of a cautious recovery, which have led to a higher level of investment activity among the Bank's clients.

## **The Banking Code**

The Banking Code (the "**Banking Code**"), published by the Netherlands Banking Association (*Nederlandse Vereniging van Banken*) on 9 September 2009, came into effect on 1 January 2010. This Banking Code defines principles about the theme 'the client is key' and about risk management, audit, governance (supervisory board and the board of managing directors) and the remuneration policy. The Banking Code applies to all banks granted a banking licence under the Netherlands Act on Financial Supervision.

In the Netherlands, the Bank applies the Banking Code on a consolidated level. Van Lanschot applies parts of the Banking Code to the foreign subsidiaries of Van Lanschot in Belgium and Switzerland, unless the local laws and regulations or practical aspects in connection with the limited scale of the foreign operations justify an exception to application of (parts of) the Banking Code.

### *Main themes of the Banking Code*

1. Client is key
2. Risk management
3. Governance (supervisory board and the board of managing directors)
4. Remuneration policy.

#### *1. Client is key*

Principle 3.2.1 of the Banking Code states that putting the client first is a prerequisite for the Bank's continuity. The Bank endorses this principle. The Bank is a service provider, not a product-oriented bank; the personal relationship with the client has always been paramount.

The Bank is a full-service bank offering its clients financial services, while being attentive and responsive to the clients' needs. The services primarily consist of personal advisory services in the field of wealth creation and asset management. The Bank hardly trades for own account and risk: the balance sheet is for the benefit of our clients. This shows that the interest of the client is paramount.

In 2011, the theme of 'the client is key' was further defined within the Bank. A project was started under the supervision of board member Mr Sevinga. The project group plays an initiating and coordinating role in the way in which the entire Bank's organisation puts this theme into practice.

The paragraph below outlines how the Bank puts the theme 'the client is key' into practice in its operations.

### *Strategic goals*

Putting the client first has already formed part of the Bank's strategic goals for years now. In the 2007 annual report, client intimacy was already mentioned as one of the strategic goals. Client intimacy is a form of relationship-driven banking where the interests of the client take centre stage.

In 2009, the Bank refined its strategy. The concept of 'the client is key' is reflected in the strategy in the concept customer care. Customer care is one of the strategic goals: 'Adopt and continuously improve a customer care policy that sets the tone for the sector and goes beyond the statutory framework.' In addition, client satisfaction is an important strategic goal: 'Continue to outperform the benchmark in the loyalty index.'

The wording of the Bank's strategy was refined in 2011 in order to emphasise the importance that the Bank places on the theme of 'the client is key'. The Bank's mission is now as follows: "To offer high-quality financial services to high net-worth individuals, entrepreneurs and other select client groups, whereby the interest of our clients is leading".

The strategic goals form the basis for the management agenda. Key areas within the management agenda relate to goals for customer care and customer satisfaction. These goals have been translated into targets for the various departments and branches and individual employee targets. Key Performance Indicators for the client is key were formulated in mid-2011 to be able to define and measure achievement of the related targets.

### *Culture*

The Bank has defined the following core values: ambitious, committed, independent and professional. The core values provide a guideline for the actions of all employees, both among themselves and in relation to the client. For the client, the core values create an impression of the services they can expect. The core values contribute to a culture to which clients feel attracted.

The core values were introduced and explained in 2009 during the Annual General Meeting of Shareholders on 11 May 2009, and they were further implemented in the organisation in 2010. All employees for instance attended sessions in which they discussed these core values. In addition, in 2010 and 2011, all employees gave feedback to each other and their superiors based on the core values. This promotes making the core values part of day-to-day work. Since 2011, the core values are also included in the targets set for the employees.

### *Advisory services*

The Bank is a full-service bank offering its clients financial services, while being attentive and responsive to the clients' needs. The services primarily consist of personal advisory services in the field of wealth creation and asset management.

The Bank aims to offer appropriate advice which has added value for the client, is transparent and is understandable.

The Bank's ambition to be transparent in its service offering is also apparent from the fact that the Bank passes on the net distribution fees that it receives to its asset management clients. This is confirmation of the Bank's aim to be independent in providing its services.

In order to safeguard the quality of the advisory services, the Bank will continue to invest in professional competence and expertise.

### *Products and product documentation*

The Bank aims to offer appropriate products which are transparent, understandable, have added value for the client and a good quality at the right price.

For this purpose, the Bank has reviewed its current range of savings products and decided to radically reduce the number of difference products on offer. As a result, the range of savings products is now clearer and simpler for the client.

An approval process applies to new products, the New Product Approval procedure (NPA procedure), as laid down in principle 4.5 of the Banking Code. In this NPA procedure, explicit attention is paid to customer care aspects. All members of the Product Board have a veto right concerning a decision about a new product introduction in the NPA procedure and have to sign off their approval of the product introduction. For existing products, the Bank has established the Product Review procedure. Under this procedure, existing products are screened on for instance customer care.

Within the Bank, the Product Board is responsible for the introduction of new products and the review of existing products. In the meetings of the Product Board, the NPAs, the new product evaluations (between three and six months after implementation, a product is evaluated and submitted to the Product Board) and Product Reviews are discussed. In the decision-making, the Product Board pays much attention to the quality of products. In addition, in its decision-making, the Product Board also pays attention to a proper and balanced information supply. The Bank aims for complete, understandable and accessible product documentation.

## 2. Risk management

In 2009, the definition of the risk appetite was drawn up. The risk appetite of the Bank was approved by the Supervisory Board in 2010.

The relevant process was defined in February 2010 and the related reporting procedures were developed (the risk appetite dashboard). Since the second quarter of 2010, the Board of Managing Directors has reviewed the risk appetite each quarter. The Supervisory Board tests the risk appetite of the Bank every six months and, once a year, the assumptions are restated in a joint effort with the Board of Managing Directors.

## 3. Governance

In 2009, the by-laws for the Board of Managing Directors and the Supervisory Board were amended in line with the Banking Code and the Corporate Governance Code and its provisions. In addition, the by-laws for the Audit & Compliance Committee, the Risk Committee, the Remuneration Committee and the Selection & Appointment Committee were brought in line with the principles of the Banking Code.

The amended regulations were discussed and approved by the Supervisory Board in its meeting of 17 December 2009. The profile outline of the Supervisory Board was also revised based on the Banking Code. The changes to the profile outline were discussed with the Employees' Council and at the Annual General Meeting of Shareholders on 6 May 2010.

### *Continuing Education Programme*

A continuing education programme was started up for the members of the Supervisory Board and the Board of Managing Directors. The programme is the same for all board members. In 2012, two meetings were held. The subjects addressed were asset management and bank operations. The asset management meeting was organised by an external expert in collaboration with Kempen Capital Management. The bank operations meetings was organised by management of the three service centres in collaboration with internal experts within the Bank. The Supervisory Board and the Board of Managing Directors evaluated the Continuing Education Programme in December 2012. They established that the programme is effective, and thus ensures that the expertise of the board members is maintained and extended. The programme will continue in 2013.

### *Moral-ethical statement (banker's oath)*

Each member of the Board of Managing Directors has signed a moral-ethical statement (banker's oath). This statement reads as follows:

*'I declare that I will perform my duties as director of F. Van Lanschot Bankiers N.V. (the Company) with integrity and care. I will carefully consider all interests involved in the Company, i.e. those of the clients, the shareholders, the employees and the society in which the Company operates. In this consideration, I will give paramount importance to the client's interests and will inform the client to the best of my ability. I will comply with the laws, regulations and codes of conduct applicable to me as director of the Company. I will observe secrecy in respect of matters entrusted to me. I will not abuse my banking knowledge. I will act in an open and assessable manner and I know my responsibility towards society. I will endeavour to maintain and promote confidence in the banking sector. In this way, I will uphold the reputation of the banking profession.'*

The principles included in the moral-ethical statement can also be found in the Bank's general code of conduct. This general code of conduct applies to all current and new employees at the Bank.

#### 4. Remuneration policy

In 2009, the new general assumptions for the remuneration policy of the Bank were approved by the Board of Managing Directors and the Supervisory Board. The Employees' Council also approved these assumptions.

When preparing the remuneration policy, account has been taken of the Banking Code, "The principles for controlled remuneration policy" as presented by DNB and AFM on 6 May 2009 (*Principes voor beheerst beloningsbeleid*, the "**DNB and AFM principles**") and the good practices as included in an appendix to the relevant report of DNB of September 2009 ("**Good Practices of the DNB**").

On 6 May 2010, the Annual General Meeting of Shareholders of Van Lanschot was extensively informed about the proposal to adopt a new remuneration policy for the Board of Managing Directors. On this same date, the Annual General Meeting of Shareholders of Van Lanschot adopted this new remuneration policy for the Board of Managing Directors.

The new remuneration policy for other employees of the Bank was approved by the Board of Managing Directors. The Supervisory Board approved the principles underlying the remuneration policy. The new remuneration policy was also approved by the Employees' Council. The new remuneration policy for employees came into effect on 1 January 2010.

The structure of the new remuneration policy was adjusted in 2011 to fall into line with the new statutory provisions. The Regulation on Sound Remuneration Policies pursuant to the Dutch Financial Supervision Act 2011 (*Regeling beheerst beloningsbeleid Wft 2011*), as adopted by DNB, has been in effect since 1 January 2011. As a result of these new rules, the structure of the remuneration policy for the members of the Board of Managing Directors, which was adopted by the shareholders' meeting in 2010, was revised in some respects. These changes relate to the structure only, with the existing policy otherwise remaining intact, including its key principles and remuneration levels. The changes were adopted in the Annual General Meeting of 11 May 2011.

The Bank's remuneration policy complies with the principles of the Banking Code taking the following into account: The total direct compensation of the members of the Board of Managing Directors is in line with the median level if performance is on target (provision 6.3.1 of the Banking Code). In the Annual General Meeting of Shareholders of 11 May 2011 it was explained that the total direct compensation for the chairman's performance on target and for maximum performance declined 25% and 27% respectively. The Supervisory Board believed this to be the maximum possible reduction of this remuneration. Moreover, the Supervisory Board thinks it is important to have a certain correlation between the remuneration of the Chairman and that of the other members of the Board of Managing Directors. In addition, the Supervisory Board believes that it is desirable that the total direct compensation is slightly above the median in view of continuity and the related retention objective.

### SELECTED FINANCIAL INFORMATION OF VAN LANSCHOT

<i>(x € million)</i>				
	31/12/2012	30/06/2012	31/12/2011	30/06/2011
<b>Statement of income</b>				
Income from operating activities	541.0	272.7	552.4	291.2
Operating expenses	459.2	222.1	426.5	214.1
Impairments	258.0	45.3	79.4	30.9
Operating result before tax	176.2	5.4	46.5	46.2
Net result	-155.4	5.7	43.1	42.8
Efficiency ratio (%)	84.9	81.4	77.2	73.5

<i>(x € million)</i>				
	31/12/2012	30/06/2012	31/12/2011	30/06/2011
<b>Balance sheet and capital management</b>				
Equity attributable to shareholders	1,353	1,498	1,507	1,466
Equity attributable to minority interests	53	51	59	320
Savings and deposits	11,369	11,942	13,100	13,225
Loans and advances to customers	13,464	13,994	14,270	15,059
Total assets	17,988	18,462	18,454	19,286
Funding ratio (%)	84.4	85.3	91.8	87.8
Risk-weighted assets	10,535	11,050	11,000	11,528
Core Tier I ratio (%)	11.0	11.0	10.9	10.1
Tier I ratio (%)	11.0	11.0	10.9	12.6
BIS total capital ratio (%)	11.9	12.1	11.9	14.0
Leverage ratio (%)	7.5	8.1	8.2	7.6
<i>(x € billion)</i>				
	31/12/2012	30/06/2012	31/12/2011	30/06/2011
<b>Client assets</b>				
Client assets	52.3	49.4	49.8	49.3
- Assets under management	40.9	37.5	36.7	36.1
- Savings and deposits	11.4	11.9	13.1	13.2
Assets under management	40.9	37.5	36.7	36.1
- Discretionary	29.0	25.2	24.3	22.2
- Non-discretionary	11.9	12.3	12.4	13.9
	31/12/2012	30/06/2012	31/12/2011	30/06/2011
<b>Key figures</b>				
Weighted average number of outstanding ordinary shares (x 1,000)	40,883	40,865	40,870	40,865
Earnings per share based on average number of ordinary shares (€)	-3.87	0.11	0.84	0.92
Return on average Core Tier I capital (%)	-13.4	0.7	3.0	6.5
Number of staff (FTEs)	1,862	1,908	2,009	2,010

*These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2012 and 31 December 2011 of Van Lanschot and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot as of and for the periods ended 30 June 2012 and 30 June 2011. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.*

## **BUSINESS SEGMENTATION**

The Bank focuses on providing financial services mainly to high net-worth individuals (with emphasis on wealth management and investment advice) and to family businesses.

The current segmentation is Private & Business Banking, Asset Management, Corporate Finance & Securities and Other Activities.

## Private & Business Banking

On the Private Banking market, the Bank's target clients are individuals with above-average earnings or wealth. The Bank also focuses on specific groups of professionals, such as business professionals (accountants, lawyers, public notaries and attorneys), executives of listed companies, healthcare professionals and directors/majority shareholders. Medium-sized family and other businesses are the main target client groups of the Bank in the Business Banking market. The interaction between management and ownership is familiar territory to the Bank as an independent bank. Since the second half of 2010, the Private & Business Banking segments fall under a single management team and therefore is reported as a single segment.

The Bank provides a full range of financial services to its clients, which includes financial planning, wealth planning, asset management and investment advice. Furthermore, the Bank offers international private banking solutions through its offices in Switzerland. Wealth creation and asset protection form the basis of the services provided by the Bank. The Bank offers its clients state of the art investment concepts, open architecture in its investment offering and advice and a transparent fee structure.

## Asset Management

The Asset Management business segment comprises the asset management activities of the Bank. Wealth creation and asset protection are the key competences of the Bank. With the acquisition of Kempen & Co, the Bank has expanded its expertise in the fields of investment and asset management. The combination of the asset management and securities trading departments of the Bank with those of Kempen & Co has been finalised. Institutional asset management is part of the segment Asset Management. This business segment's target group consists of institutional investors, pension funds, insurance companies, financial institutions, (semi-) public institutions, foundations and associations. The Bank offers institutional and fiduciary asset management, management of investment funds and development of investment products and solutions.

Kempen & Co is specialist in a number of niche markets including European small and midcap funds and European real estate. The business segment is characterised by its full-scope investment solutions for clients (fiduciary management). The Bank's asset management is based on long-term vision and entrepreneurship.

## Corporate Finance & Securities

The Bank focuses its operations in this segment on a specific client target group: listed and unlisted companies and corporate clients of the Bank. Corporate Finance offers independent advice and support in mergers, acquisitions, capital market transactions and financial restructurings. Additionally the Bank's Corporate Finance segment offers advisory services in collaboration with Private & Business Banking to large and medium sized family businesses. The services mostly concern individual assignments for which non-recurring fees and commission are received.

The Securities segment offers securities research, brokerage and investment products to professional investors, clients of Private & Business Banking and listed companies. Institutional securities business is part of the segment Securities.

## Other Activities

This segment comprises, among other things, income and expenses that at present cannot be allocated to other segments. In addition, this segment comprises income and expenses arising from interest rate, market and liquidity risk management.

## SOURCES OF FUNDS

<i>(x € thousand)</i>	31/12/2012	30/06/2012	31/12/2011	30/06/2011
Financial liabilities held for trading	382	863	29,614	73,665
Due to banks	1,522,640	1,802,960	398,052	762,985



Public and private sector liabilities	11,368,814	11,941,671	13,100,131	13,225,003
Financial liabilities designated as at fair value through profit or loss	214,355	168,977	20,165	18,461
Derivatives (liabilities)	364,568	428,534	379,541	253,380
Issued debt securities	2,543,905	1,871,302	2,321,837	2,469,001
Provisions	30,631	25,846	15,884	17,305
Current tax liabilities	7,397	12,660	9,271	12,113
Deferred tax liabilities	26,223	39,865	41,532	31,211
Liabilities of operations held for sale	–	74,552	–	–
Other liabilities	370,643	406,506	418,863	480,346
Subordinated loans	132,482	139,654	152,764	155,879
<b>Total liabilities</b>	<b>16,582,040</b>	<b>16,913,390</b>	<b>16,887,654</b>	<b>17,499,349</b>

*These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2012 and 31 December 2011 of Van Lanschot and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot as of and for the periods ended 30 June 2012 and 30 June 2011. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.*

## **SUPERVISORY BOARD AND BOARD OF MANAGING DIRECTORS**

### **Supervisory Board**

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

#### Mr T. de Swaan (1946), Chairman

Nationality	: Dutch.
Appointed as of	: 10 May 2007; the appointment runs until 2015. Former member of the executive board of ABN AMRO Bank N.V., ABN AMRO Bank Holding N.V. and De Nederlandsche Bank N.V.
Seats on other (supervisory) boards	: Koninklijke DSM N.V. Koninklijke Ahold N.V. Zurich Insurance Group GlaxoSmithKline Plc
Main other positions	: Chairman of the board of Van Leer Jerusalem Instituut, Chairman of the Advisory Council of the Rotterdam School of Management Erasmus University Chairman of the board Antoni van Leeuwenhoekhuis / Nederlands Kankerinstituut Member of the board Franz Liszt Piano Concours Member Public Interest Board KPMG.

#### Mr J.B.M. Streppel (1949), Deputy Chairman

Nationality	: Dutch
Appointed as of	: 11 May 2005; due to step down in 2013 Former member of the Executive Board of Aegon N.V.
Seats on other (supervisory) boards	: KPN N.V. (Chairman) RSA Insurance Group Plc
Main other positions	: Chairman of the Corporate Governance Code Monitoring Committee Chairman Duisenberg School of Finance Member of the Supervisory Board of Stichting Arq., Member of the Board of Amsterdam Center for Corporate Finance Chairman of the Shareholders Communication Channel, Member of the Advisory Board of Association of

Actuaries,  
Member of the Supervisory Board of Tilburg Center of Finance

W.W. Duron (1945), Member

Nationality : Belgian  
Appointed as of : 10 May 2007; due to step down in 2015  
Former Chairman of the Executive Committee of KBC Group N.V.  
Seats on other (supervisory) boards : Agfa-Gevaert N.V., Ravago Plastics N.V., Van Breda Risk & Benefits N.V., Tigenix N.V.  
Main other positions : Universitair Centrum Kortenberg, Universitaire Ziekenhuizen Leuven

Ms H.H. Kersten (1965), Member

Nationality : Dutch  
Appointed as of : 11 May 2011; due to step down in 2015  
Managing Partner at Stibbe  
Seats on other (supervisory) boards : Egeria Investments B.V.  
Main other positions : Member of the Board of Royal Concertgebouw Orchestra's donors' foundation

Ms T.M. Lodder (1948), Member

Nationality : Dutch  
Appointed as of : 11 May 2005; due to step down in 2013  
Former director of De Nederlandse Opera and former Chairperson of the Board of Stichting Het Muziektheater, Amsterdam  
Seats on other (supervisory) boards : N.V. Nederlandse Spoorwegen,  
Main other positions : Member of the Supervisory Board of Universiteit Maastricht  
Chairperson NJO.

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

Nationality : Dutch  
Appointed as of : 10 May 2006; due to step down in 2014  
Previously employed in various positions at ABN AMRO Bank  
Seats on other (supervisory) boards : Fetch, Inc.  
Main other positions : -

Mr A.J.L. Slippens (1951), Member

Nationality : Dutch  
Appointed as of : 10 May 2007; due to step down in 2015  
Former Chairman of the Board of Sligro Food Group N.V.  
Seats on other (supervisory) boards : Beter Bed Holding N.V.  
Blokker Holding B.V.  
Simac Techniek N.V. (Chairman)  
Free Record Shop Holding B.V.  
Main other positions : Chairman of the Advisory Board of Hobij Groep B.V.  
Member of the Advisory Board of Menken Combinatie B.V.  
Member of the Advisory Board of Nabuurs B.V., member of the Board of Stichting Administratiekantoor Beccus.

## Board of Managing Directors

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

### Mr K.K. Guha (1964), Chairman

Nationality : Dutch  
Appointed as of : 2 January 2013, term of office expires on the day of Van Lanschot NV's Annual General Meeting of Shareholders held after 1 January 2017  
Areas of responsibility : Corporate Secretariat, Corporate Office, Legal Affairs, Compliance & Supervision, Group Audit, Human Resource Management, Corporate Marketing & Communication and Van Lanschot Belgium.

### Mr A.J. Huisman (1971), Member

Nationality : Dutch  
Appointed as of : 6 May 2010, term of office expires on 6 May 2014.  
Areas of responsibility : Service Center Securities, Service Center Client Affairs & Payment, Service Center Credits & Savings and Corporate Facility Management, Information Technology Management and Online Services.  
Main other positions : Member of the Supervisory Board of Van Lanschot Chabot Holding B.V.

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

Nationality : Dutch  
Appointed as of : 27 October 2010, term of office expires on 27 October 2014.  
Areas of responsibility : Risk Management, Financial Control, Fiscal Affairs and Treasury.  
Main other positions : Chairman of the Supervisory Board of Vidomes  
Vice-chairman Raad van Toezicht Sint Franciscus-Vlietland Groep

### Mr I.A. Sevinga (1966), Member

Nationality : Dutch  
Appointed as of : 22 January 2007, term of office expired on 1 January 2011. Reappointed on 1 January 2011, term of office will expire on the day of the Annual General Meeting of Shareholders to be held after 1 January 2015.  
Areas of responsibility : Kempen & Co, Van Lanschot Private Office and Private & Business Banking Netherlands and foreign activities.  
Main other positions : Member of the Supervisory Board of Van Lanschot Chabot Holding B.V.  
Non-executive Board Member of De Persgroep N.V.

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

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

## FINANCIAL STATEMENTS OF VAN LANSCHOT N.V.

The financial information set out below is included in the 2012 audited consolidated annual financial statements as of and for the financial year ended 31 December 2012 and in the 2011 audited consolidated annual financial statements as of and for the financial year ended 31 December 2011 (see item b of the 'Documents incorporated by reference'), which can be obtained from the website of Van Lanschot N.V. at [www.vanlanschot.nl/vanlanschot/en/about-vanlanschot/investor-relations/debt-investors/debt-issuance-programme.html](http://www.vanlanschot.nl/vanlanschot/en/about-vanlanschot/investor-relations/debt-investors/debt-issuance-programme.html).

### THE BANK IN 2011

The Bank achieved a 10% net inflow of new assets under management in 2011. This solid inflow reflects the trust placed by clients in the Bank and the quality of its service offering. In 2011, as it has since 2008, the Bank gave priority to further reinforcing its capital and liquidity position instead of focusing on profit maximisation.

#### Further reinforcement of the Bank's solid profile

- Core Tier I ratio increases further to 10.9% at 31 December 2011.
- The bank does not have investments in the European periphery.
- European stress test performed in July 2011 demonstrates that the Bank is highly resistant to severe economic stress scenarios; under the adverse stress scenario, the Core Tier I ratio rises to 9.7% at year-end 2012.
- Single A- (stable outlook) credit rating again confirmed by Fitch Ratings in November 2011 and by Standard & Poor's in December 2011.
- Leverage according to current definition: 12.2.

#### Strong funding and liquidity position

- As a private bank, the Bank - more than other banks - is financed by its own clients; the funding ratio (the extent to which the loan book is funded by the funds entrusted by clients) rose to 91.8% at 31 December 2011.
- Further diversification and lengthening of the funding position through the issue of €500 million of senior bonds to institutional investors, and €65 million of trigger notes and €90 million of floored floaters to private investors in 2011.
- The Bank meets the published Basel III requirements: pro forma Liquidity Coverage Ratio (LCR) 192.4% (minimum requirement 100%), pro forma Net Stable Funding Ratio (NSFR) 104.4% (minimum requirement 100%), pro forma leverage 19.4 (maximum 33).

#### Growth in assets under management despite negative market performance

- Total assets under management increased by 6% to €36.7 billion.
- Total net inflow of new money €3.4 billion, i.e. 10% of assets under management, of which €4.4 billion inflow at Asset Management and €1.0 billion outflow at Private & Business Banking.
- Further rise in discretionary mandates; of the total assets under management for Private & Business Banking clients, 33% comprised assets under discretionary management.
- Total client assets (assets under management plus funds entrusted by clients) increased to €49.8 billion.

#### Income under pressure, cost levels stable & lower loan loss provision

- Income from operating activities down 12% to €539.2 million.
- Net interest income decreased to €297.5 million due to a decline in the loan portfolio as well as pressure on the interest margin due to the conscious reinforcement of the funding profile and avoidance of risks; interest margin 1.57%.
- Commission income € 230.5 million; strong growth in management fees thanks to further increase in discretionary asset management; management fees make up 72% of total securities commission.
- Negative results on financial transactions due to volatile financial markets and increase in credit spreads
- Costs decreased by 2% to €412.3 million.
- Addition to loan loss provision down 26% to €64.3 million.

- Net profit €41.9 million.
- Earnings per share €0.81.

### **Investments in quality and significant cost savings**

- Additional investment of €30 million in quality of the organisation and service offering in 2012-2014.
- Structural cost savings of €60 million from 2015 onwards, inclusive of 10-15% workforce reduction.

## **THE BANK'S PERFORMANCE IN 2011**

### **Income from operating activities**

#### *Interest*

Interest income in 2011 totalled €297.5 million, due to the following factors:

- The portfolio of client loans decreased by €1.1 billion in 2011 on account of private clients opting for early repayment of their mortgage debts and a stricter lending policy increasing the focus on the Bank's target group clients.
- When considering risks versus returns, the Bank consciously opted for solidity, for example by placing the substantial excess liquidity at the European Central Bank, which had an adverse effect on the interest margin.
- Higher funding costs were incurred as a result of raising wholesale funding in 2011, with a view to further diversifying the Bank's funding mix.

In 2011, the interest margin was 1.57%.

#### *Income from securities and associates*

This item comprises dividends, valuation results and gains and losses on sales of minority shareholdings held by the Bank. Dividends received in 2011 totalled €16.1 million. Due to the economic conditions, a negative valuation result of €9.9 million was posted. The valuation result, which chiefly concerns an interest in Ducatus, is sensitive to financial market fluctuations. Of the valuation result, €0.2 million negative relates to 49% of the net profit (exclusive of dividend) of Van Lanschot Chabot. Gains on sales totalled €5.2 million in 2011, among other things achieved on the sale of an investment fund from the investment portfolio.

#### *Commission*

Securities commission totalled €171.9 million in 2011. In 2011, the share of management fees compared with total securities commission rose to 72%. Other commission amounted to €58.6 million. This included corporate finance commission for an amount of €24.3 million.

#### *Profit on financial transactions*

The profit on securities concerns the result on the trading portfolio and own positions in several in-house funds of Kempen & Co. Given the negative stock market sentiment, this result was negative in 2011.

The profit on the investment portfolio of €14.5 million was the result of, among other things, a Marked-to-Market (MtM) portfolio. In 2011, this portfolio comprised in particular government bonds and other bonds guaranteed by the Dutch state, covered bonds and securitisations of residential mortgage loans. The interest rate risk on this portfolio has been hedged. However, due to widening credit spreads, the result on this investment portfolio was €5.1 million negative in 2011. Furthermore, in 2011 a positive result of €19.6 million was recorded on the sale of bonds from the investment portfolio.

The Bank applies hedge accounting to a number of swaps. These swaps serve to cover the interest rate risk of fixed-interest mortgages in particular. Imperfections in these hedges and changing interest rate curves cause ineffectiveness. In 2011, the decline in the long-term interest rate led to ineffectiveness on

current hedges and thus to a negative result.

## **Expenses**

### *Staff costs*

In 2011, the staff costs were €216.7 million and the number of FTEs was 2,009. In addition, in the year under review, the Bank's pension scheme was amended and an additional payment was made within the scope of the 2009 recovery plan.

The amended pension scheme, which is administered by Stichting Pensioenfonds F. van Lanschot, became effective on 1 January 2012. The new scheme is based on average earnings up to a certain threshold. Above this threshold, pension is accrued based on a defined contribution scheme. Prior to this amendment, the scheme was a (partial) final pay scheme.

The 2009 recovery plan resulted from the deficient coverage ratio according to the requirements defined in the Financial Assessment Framework of the Dutch Central Bank. In 2011, an extension of the 2009 recovery plan was agreed. The extended recovery plan led to an additional payment of €41.4 million in 2011 and two conditional recovery payments of at most €8.9 million each at year-end 2012 and 2013. These payments depend on the actual coverage ratios at year-end 2012 and 2013.

The amended pension scheme and additional payment within the scope of the 2009 recovery plan on balance had a marginal effect on the net profit for 2011.

### *Other administrative expenses*

The other administrative expenses totalled €159.0 million. In 2011, €1.4 million additional expenses were incurred for compliance and supervision and IT project costs rose by €3.8 million. In addition, the expenses on account of the deposit guarantee scheme were €0.8 million. This addition comprised an expense of €1.6 million for DSB and income of €0.8 million representing the liquidation distribution for Icesave. A reduction in costs was achieved at the Bank in 2011 (€4.7 million), thanks in part to savings on accommodation and marketing and communication expenses.

### *Depreciation and amortisation*

Depreciation and amortisation totalled €36.6 million. Of this amount, €12.7 million concerned the amortisation of intangible assets as a result of the acquisitions of Kempen & Co and CenE.

### *Efficiency ratio*

The efficiency ratio (the ratio of operating expenses to income from operating activities) showed a negative trend at 76.5% due to lower income from operating activities.

### *Addition to loan loss provision*

The addition to the loan loss was €64.3 million in 2011. After the peak in 2009, the addition to the loan loss provision showed a downward trend. In 2011, the addition largely concerned increases in loans already transferred to the Recovery Section.

### *Other impairments*

In 2011, several shareholdings from the participations portfolio were written down by a total amount of €9.6 million. On balance, the market value of the participations portfolio was up. In addition, an investment fund was written down (€1.2 million). In line with the prescribed accounting method for available-for-sale investments and the participations portfolio, an unrealised negative value change is directly taken to profit or loss, whereas an unrealised positive value change is only taken to profit or loss when realised.

In 2011, a capital loss on buildings was recognised of €3.2 million. Of this amount, €2.8 million relates to own office buildings for sale, whose expected sales proceeds are lower than their carrying value.

#### *Income tax*

Income tax for 2011 amounted to €6.7 million, representing a tax burden of 13.8%. The low tax burden for 2011 is caused by the fact that the equity holding exemption applies to part of the revenue.

#### **Earnings per ordinary share**

Earnings per ordinary share for the year 2011 were €0.84. Adjusted for non-strategic investments, earnings per ordinary share were €0.81.

#### **Assets under management**

Total assets under management were €36.7 billion at year-end 2011.

#### *Private & Business Banking:*

Assets under management of Private & Business Banking decreased in 2011 by €1.9 billion to €18.5 billion. This decrease can be attributed to a €1.0 billion outflow of assets and €0.9 billion of negative market performance. Of this outflow, €0.6 billion concerned two large custody clients. In 2011, the trend to opt for the benefits of a discretionary mandate continued; the share of discretionary assets was up from 27% to 33%.

#### *Asset Management*

Assets under management at the segment Asset Management were up 29% from €14.1 billion to €18.2 billion. This increase can nearly entirely be attributed to the inflow of new money (€4.4 billion). Kempen Capital Management won a number of new institutional mandates, including Stichting Bedrijfstakpensioenfondsvoor het Levensmiddelenbedrijf (€2.0 billion), Yarden (€0.7 billion) and a major private client (€0.5 billion).

### **DEVELOPMENTS BY BUSINESS SEGMENT IN 2011**

#### **Private & Business Banking**

The operating profit before tax of the Private & Business Banking segment was €120.8 million in 2011. In addition, net interest income was €369.1 million and commission income was €133.6 million.

#### **Asset management**

The Asset Management segment posted operating profit before tax of €10.0 million. Commission income totalled €49.7 million. The performance fees were €0.4 million in 2011 as a result of the volatile financial markets. Staff costs totalled €25.5 million and the number of FTEs 198.0.

#### **Corporate Finance & Securities**

Corporate Finance & Securities achieved an operating profit before tax of €3.4 million. Commission income was €47.3 million. Profit on financial transactions was €3.5 million negative, mainly due to disappointing results on the trading portfolio. The number of FTEs in 2011 reached 191.1 FTEs.

### **THE BANK IN 2012**

On 2 April 2013 Van Lanschot published its financial statements for the year ended 31 December 2012.

## 2012 Highlights

The interest margin declined owing to a combination of low market rates of interest and relatively high savings rates. Given the poorly performing property market, the Bank decided to conduct a thorough review of its loan portfolio, which led to an increase in the loan loss provision. Van Lanschot reports an underlying profit of €2.0 million, a decrease compared to 2011 (net profit €41.9 million) and mainly resulting from the two aforementioned developments. The negative net result of €155.4 million reflects the previously announced impairment on goodwill, non-recurring charges and the challenging market conditions. Total impairments of €258 million are split quite evenly between a one-off impairment on goodwill and other intangibles relating to the acquisition of business banking activities of CenE Bankiers in 2004 and banking activities of Kempen & Co in 2006 and loan loss provisions. Non-strategic investments have been impaired with a total amount of €13.5 million. The non-recurring good-will impairment on goodwill is an accounting adjustment ('non-cash item') driven by International Financial Reporting Standards (IFRS) and has no impact on the Bank's capital and liquidity position. In view of the negative net result, no dividend will be distributed for 2012.

Total client assets were up 5% at €52.3 billion, thanks largely to the robust performance of the Bank's asset management products and the inflow of institutional assets under discretionary management at Kempen & Co. Total securities commission remained stable, despite the fact that clients were risk-averse in their investment behaviour.

Van Lanschot continued to prioritise maintaining and reinforcing its capital and liquidity positions above profit maximisation in 2012. The Bank's solid profile is reflected in its strong balance sheet and robust Core Tier I ratio of 11.0%.

The investment and cost reduction programme announced in early 2012 is on schedule. Investments in services in 2012 led to the introduction of an online investment advice proposition and execution-only investment services, among other things. Cost savings during the year under review were also on target, and the workforce was reduced by 147 FTEs (7%).

## Results for 2012

- Income from operating activities at €524.5 million (2011: €539.2 million).
- Interest income down to €235.7 million; interest margin at 1.29% (2011: 1.44%) under pressure due to sharp drop in market rates of interest in combination with relatively high rates on customer savings and deposits.
- Commission income at €216.8 million (2011: €230.5 million); transaction commission and management fees relatively stable compared with 2011 at €167.0 million; recurring commission make up 75% of total securities commission (2011: 72%).
- Total expenses down 1% at €408.7 million (€412.3 million).
- Higher addition to loan loss provision at €115.2 million (2011: €64.3 million).
- Underlying net profit €2.0 million.
- Non-recurring charges of €44.7 million relate to the investment and cost reduction programme.
- Other impairments mainly concern impairment on goodwill and intangibles of €126.6 million.
- Net result after non-recurring charges and other impairments €155.4 million negative (2011: net profit of €43.1 million).
- Earnings per share €3.87 negative (2011: €0.84).

## Capital, funding and liquidity positions remain solid

- Strong capital position: Core Tier I ratio 11.0% at 31 December 2012 (year-end 2011: 10.9%).
- Low risk profile: leverage ratio at 7.5% (year-end 2011: 8.2%).
- No exposure to Europe's peripheral countries.
- High funding ratio of 84.4% at 31 December 2012 (year-end 2011: 91.8%) reflecting that the loan book is largely financed by customer savings and deposits, the Bank's traditional funding source.
- Highly diversified funding profile: the Bank has regular access to the wholesale funding market, including two successful emissions of unsecured bonds for CHF 250 million and €500 million.
- Deleveraging and de-risking behaviour of clients reflected in 6% decline in loan portfolio to €13.5 billion and 13% decrease in savings and deposits to €11.4 billion.



- Basel III ratios above the minimum requirements: pro forma Liquidity Coverage Ratio (LCR) >100%, pro forma Net Stable Funding Ratio (NSFR) >100%, pro forma leverage ratio >3%.

## **Impact of IAS 19R**

On 1 January 2013, the revised IAS 19R on employee benefits came into effect. The most important change relates to the fact that actuarial gains and losses are to be recognised in equity immediately. The impact of this new accounting standard on the capital ratios depends on the interest rate and will lead to higher volatility in the Core Tier I ratio in the future. The discount rate is based on a basket of approximately 200 European corporate bonds with an AA credit rating. The initial impact at 1 January 2013 of IAS 19R on the Bank's Core Tier I ratio would be 79 basis points negative. It is currently unclear whether the regulator will apply a transitional period for this initial impact.

## **Income from operating activities**

### *Interest*

The interest income totalled €235.7 million. The interest margin in 2012 was 129 basis points (2011: 144 basis points). This decline was in particular the result of a sharp fall in the Euribor rates in 2012, which was followed only to a limited extent by a drop in rates on Dutch savings. Consequently, the Bank saw interest income on loans linked to Euribor decrease more than the interest paid on customer savings. The interest result also suffered from a decline in the volume of both lending and savings and deposits in 2012. This decline can be partly attributed to the Bank's intention to close down the branches on Curacao and in Luxembourg and the scaling down of fiduciary management operations in Belgium.

### *Income from securities and associates*

This item comprises dividends, valuation results and gains and losses on sales of minority shareholdings held by the Bank. Dividends received in 2012 totalled €4.5 million (2011: €16.1 million). The result (dividend and valuation) on the Bank's equity stake in Ducatus in 2012 was €7.4 million (2011: €2.1 million negative). This equity stake is recognised at fair value.

### *Commission*

Total securities commission remained at a relatively stable level in 2012 totaling €167.0 million (2011: €171.9 million), while at the same time reflecting a further shift from transaction fees to management fees. Management fees are generated by discretionary asset management activities for banking clients as well as the asset management activities undertaken by Kempen Capital Management. Both activities posted a further rise in assets under management in 2012, resulting in a slight rise in management fees (€125.7 million) on 2011 (€124.4 million). Transaction fees were lower than in 2011, due to uncertainty in the stock markets and primarily low trading volumes in the second and third quarters.

Management fees form a more stable source of income than transaction fees, since the latter are more dependent on the stock market sentiment. Recurring commission in 2012 made up 75% of total securities commission (2011: 72%).

Other commission comprised corporate finance commission, totaling €18.9 million in the year under review (2011: €24.3 million), while cash transactions and funds transfer commission came to €19.0 million (2011: €21.4 million).

### *Profit on financial transactions*

Profit on the investment portfolio included an amount of €11.3 million generated by the sale of bonds from the available-for-sale portfolio (2011: €19.6 million). Furthermore, a €15.5 million valuation result on the Marked-to-Market portfolio was generated (2011: €5.1 million negative) in particular due to a lower spread on Dutch government bonds in mid-2012. This result was realised on the sale of bonds.

The Bank applies hedge accounting to a number of swaps. These swaps serve to hedge the interest rate risk of fixed-interest mortgages in particular. Imperfections in these hedges and shifting interest rate curves cause ineffectiveness; the amount involved was added to the result in 2012.

## **Expenses**

### *Staff costs*

The salary costs declined by €8.2 million to €218.5 million due to a decrease in the number of FTEs in 2012 by 147 to 1,862 (2011: 2,009). This decline was offset by higher pension costs due to a temporary guaranteed indexation and the valuation of pension assets on the balance sheet (asset ceiling) in accordance with IFRS.

### *Other administrative expenses*

The other administrative expenses totalled €157.6 million, more or less in line with 2011 (€159.0 million).

### *Depreciation and amortisation*

Depreciation and amortisation totalled €32.6 million which is an 11% decrease on 2011 (€36.6 million).

### *Efficiency ratio*

Adjusted for the non-recurring charges in connection with the investment and cost reduction programme, the efficiency ratio was 77.9% (2011: 76.5%).

### *Addition to loan loss provision*

The economic conditions and recent property appraisals had a major impact on the level of provisioning totaling €115.2 million, up 79% on 2011 (€64.3 million). The higher addition to the loan loss provision can in particular be attributed to property clients.

### *Other impairments*

As announced in December 2012, a one-off impairment on goodwill and other intangible assets of €126.6 million was taken in 2012 (net effect: €121.7 million). Of this amount, €113.1 million relates to goodwill and other intangible assets of the banking operations and €13.5 million to non-strategic investments.

In addition, several equity stakes in the participations portfolio were impaired in 2012 for a total amount of €2.9 million. On balance, the fair value of the participations portfolio was up. In 2012, a capital loss on buildings and assets obtained through the seizing of collateral was recognised of €4.2 million. This impairment concerned an amount of €1.4 million relating to the Bank's own office buildings and €2.8 million to assets obtained through the seizing of collateral. When seizing collateral, the Bank sometimes acquires the assets at less than their carrying amounts. Any decreases in value subsequently arising are recorded as impairments.

### *Income tax*

The income tax credit for 2012 totalled €20.8 million (2011: tax charge of €6.2 million). The tax burden is influenced by the equity holding exemption applicable to some of the income of subsidiaries.

## **Earnings per ordinary share**

Earnings per ordinary share for the year 2012 were -/- €3.87 (2011: €0.84).

## Client assets

Total client assets (assets under management and funds entrusted) were up 5% at €52.3 billion, while at the same time showing a change in asset mix. A strong inflow at institutional asset management was offset by a reduction of client assets of private and business clients. This decline can mostly be attributed to active reprising of savings and deposits and clients using assets for deleveraging purposes. A significant part of asset outflow is the result of the decision of the Bank to close operations in Luxembourg and Curacao. Assets under management were up 11% at €40.9 billion. Most of this increase was due to the robust performance of the bank's asset management products and a positive market performance. Clients continue to opt for the benefits of discretionary asset management; 36% of total assets under management of Private & Business Banking clients at 31 December 2012 comprised assets under discretionary management (year-end 2011: 33%).

<i>(x € billion)</i>			
	<b>31-12-2012</b>	<b>31-12-2011</b>	
<b>Client assets</b>	<b>52.3</b>	<b>49.8</b>	5%
Assets under management	40.9	36.7	11%
Savings and deposits	11.4	13.1	-13%
<b>Assets under management</b>	<b>40.9</b>	<b>36.7</b>	<b>11%</b>
Private & Business Banking	18.7	19.0	-2%
- of which net inflow of new money	-1.9		
Asset Management	22.2	17.7	25%
- of which net inflow of new money	2.3		

## DEVELOPMENTS BY BUSINESS SEGMENT IN 2012

### Private & Business Banking

The operating profit before tax of the Private & Business Banking segment decreased to -/- €91.1 million (2011: €120.8 million). Net interest income declined to €320.6 million (2011: €369.1 million). Commission income was down to €118.0 million (2011: €133.5 million). Total income from operating activities totalled €453.2 million (2011: €514.3 million). Total expenses rose to €544.3 million, mainly due to higher impairments (€227.3 million, 2011: €67.6 million). A reduced number of FTEs led to a decrease in staff costs to €156.9 million (2011: €161.2 million).

### Asset management

The Asset Management segment posted an increase in operating profit before tax to €15.1 million (2011: €10.0 million). Commission income totalled €59.7 million, a rise by 20% compared to 2011 (€49.8 million) thanks to an increase in assets under management. Total expenses rose €5.0 million to €44.6 million, mainly due to increased staff costs (up from 198 in 2011 to 224 in 2012)

### Corporate Finance & Securities

Corporate Finance & Securities achieved an operating profit before tax of €2.7 million (2011: €3.4 million). Commission income was €10.5 million lower at €38.5 million (2011: €48.9 million). Profit on financial transactions increased to €1.1 million from €3.5 million negative. Staff costs decreased by €1.9 million to €24.1 million. The number of FTEs in this segment was 2.1 higher, reaching 191.1 FTEs.

## CONSOLIDATED BALANCE SHEET

<i>(x € thousand)</i>				
	<b>31/12/2012</b>	<b>30/06/2012</b>	<b>31/12/2011</b>	<b>30/06/2011</b>
<b>Assets</b>				
Cash and cash equivalents and balances withdrawable with central banks	1,647,231	871,580	1,154,324	452,391
Financial assets held for trading	52,427	57,530	80,044	115,836
Due from banks	430,850	498,743	544,947	1,181,732
Financial assets designated at fair value through profit or loss	631,411	1,106,461	515,331	403,428
Available-for-sale investments	913,079	753,036	844,977	990,694
Loans and advances to the public and private sectors	13,464,234	13,993,883	14,270,431	15,058,766
Derivatives (receivables)	213,623	285,943	252,648	193,798
Investments in associates using the equity method	46,443	46,557	43,986	41,143
Property, plant and equipment	100,366	135,826	135,200	158,875
Goodwill and other intangible assets	173,875	305,207	318,672	331,380
Current tax assets	2,552	1,862	4,319	3,817
Deferred tax assets	43,071	45,501	39,209	38,352
Assets of operations held for sale	–	40,155	–	–
Other assets	268,562	320,025	249,434	315,300
<b>Total assets</b>	<b>17,987,724</b>	<b>18,462,309</b>	<b>18,453,522</b>	<b>19,285,512</b>
<i>(x € thousand)</i>				
	<b>31/12/2012</b>	<b>30/06/2012</b>	<b>31/12/2011</b>	<b>30/06/2011</b>
<b>Equity and liabilities</b>				
Financial liabilities held for trading	382	863	29,614	73,665
Due to banks	1,522,640	1,802,960	398,052	762,985
Public and private sectors liabilities	11,368,814	11,941,671	13,100,131	13,225,003
Financial liabilities designated at fair value through profit or loss	214,355	168,977	20,165	18,461
Derivatives (liabilities)	364,568	428,534	379,541	253,380
Issued debt securities	2,543,905	1,871,302	2,321,837	2,469,001
Provisions	30,631	25,846	15,884	17,305
Current tax liabilities	7,397	12,660	9,271	12,113
Deferred tax liabilities	26,223	39,865	41,532	31,211
Liabilities of operations held for sale	–	74,552	–	–
Other liabilities	370,643	406,506	418,863	480,346
Subordinated loans	132,482	139,654	152,764	155,879
<b>Total liabilities</b>	<b>16,582,040</b>	<b>16,913,390</b>	<b>16,887,654</b>	<b>17,499,349</b>
Issued share capital	41,017	41,017	41,017	41,017
Treasury shares	-3,638	-2,852	-5,837	-2,924
Share premium	479,914	479,914	479,914	479,914
Other reserves	993,698	975,132	957,652	910,668
Undistributed profit attributable to shareholders of Van Lanschot N.V.	-158,167	4,440	34,499	37,402
<b>Equity attributable to shareholders of Van Lanschot N.V.</b>	<b>1,352,824</b>	<b>1,497,651</b>	<b>1,507,245</b>	<b>1,466,077</b>

Equity instruments issued by subsidiaries	36,063	36,063	36,063	300,736
Undistributed profit attributable to equity instruments issued by subsidiaries	1,132	557	7,587	4,679
<b>Equity attributable to equity instruments issued by subsidiaries</b>	<b>37,195</b>	<b>36,620</b>	<b>43,650</b>	<b>305,415</b>
Other minority interests	13,995	13,995	13,932	13,925
Undistributed profit attributable to other minority interests	1,670	653	1,041	746
<b>Equity attributable to other minority interests</b>	<b>15,665</b>	<b>14,648</b>	<b>14,973</b>	<b>14,671</b>
<b>Total equity</b>	<b>1,405,684</b>	<b>1,548,919</b>	<b>1,565,868</b>	<b>1,786,163</b>
<b>Total equity and liabilities</b>	<b>17,987,724</b>	<b>18,462,309</b>	<b>18,453,522</b>	<b>19,285,512</b>
Contingent liabilities	217,874	251,718	337,518	331,218
Irrevocable commitments	1,033,277	536,550	587,527	770,934
	1,251,151	788,268	925,045	1,102,152

*These figures have been derived from the audited consolidated financial statements as of and for the financial years ended 31 December 2012 and 31 December 2011 of Van Lanschot and from the unaudited consolidated interim (semi-annual) financial statements of Van Lanschot as of and for the periods ended 30 June 2012 and 30 June 2011. The figures have been prepared under IFRS as adopted by the European Union and comply with Part 9 of Book 2 Netherlands Civil Code and the interim financial statements have been prepared in accordance with IAS 34.*

#### SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER 2012

(€ thousand)

	2012	2011
<b>Opening balance</b>	<b>1,565,868</b>	<b>1,784,895</b>
Net result for the year	-155,365	43,127
Revaluation of shares, investments and derivatives (other comprehensive income)	19,479	-1,756
Dividends	-25,058	-38,392
Movements by virtue of share option plan	793	1,735
Repurchased equity instruments	-	-264,451
Acquisition of/change in minority interests	127	946
Others	-160	39,764
<b>Closing balance</b>	<b>1,405,684</b>	<b>1,565,868</b>

#### SUMMARISED CONSOLIDATED CASH FLOW STATEMENT FOR 2012

(€ thousand)

	2012	2011
<b>Cash and cash equivalents at 1 January</b>	<b>1,210,702</b>	<b>388,997</b>
Net cash flow from operating activities	144,697	588,552
Net cash flow from discontinued operations	-	-6,250
Net cash flow from investing activities	-65,796	394,747
Net cash flow from financing activities	381,022	-155,344
<b>Cash and cash equivalents at 31 December</b>	<b>1,670,625</b>	<b>1,210,702</b>

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## CONSOLIDATED STATEMENT OF INCOME

<i>(x € thousand)</i>				
	31/12/2012	30/06/2012	31/12/2011	30/06/2011
<b>Income from operating activities</b>				
Interest income	920,013	496,439	1,082,688	524,374
Interest expense	685,286	370,762	804,204	384,178
<b>Net interest income</b>	<b>234,727</b>	<b>125,677</b>	<b>278,484</b>	<b>140,196</b>
Income from associates using the equity method	6,901	4,931	3,605	3,308
Other income from securities and associates	14,187	8,691	7,339	9,815
<b>Income from securities and associates</b>	<b>21,088</b>	<b>13,622</b>	<b>10,944</b>	<b>13,123</b>
Commission income	224,170	108,706	236,968	122,827
Commission expense	7,384	2,843	6,484	1,892
<b>Net commission income</b>	<b>216,786</b>	<b>105,863</b>	<b>230,484</b>	<b>120,935</b>
<b>Profit on financial transactions</b>	<b>50,925</b>	<b>18,741</b>	<b>16,433</b>	<b>10,621</b>
<b>Other income</b>	<b>17,455</b>	<b>8,835</b>	<b>16,041</b>	<b>6,327</b>
<b>Total income from operating activities</b>	<b>540,981</b>	<b>272,738</b>	<b>552,386</b>	<b>291,202</b>
<b>Expenses</b>				
Staff costs	246,841	121,447	224,753	115,171
Other administrative expenses	181,636	87,171	164,697	80,880
<b>Staff costs and other administrative expenses</b>	<b>428,477</b>	<b>208,618</b>	<b>389,450</b>	<b>196,051</b>
<b>Depreciation and amortisation</b>	<b>30,719</b>	<b>13,434</b>	<b>37,006</b>	<b>18,055</b>
<b>Operating expenses</b>	<b>459,196</b>	<b>222,052</b>	<b>426,456</b>	<b>214,106</b>
Addition to loan loss provision	113,365	40,004	61,090	27,355
Other impairments	144,656	5,324	18,304	3,530
<b>Impairments</b>	<b>258,021</b>	<b>45,328</b>	<b>79,394</b>	<b>30,885</b>
<b>Total expense</b>	<b>717,217</b>	<b>267,380</b>	<b>505,850</b>	<b>244,991</b>
<b>Operating result before tax</b>	<b>-176,236</b>	<b>5,358</b>	<b>46,536</b>	<b>46,211</b>
<b>Income tax</b>	<b>-20,871</b>	<b>-1,256</b>	<b>6,211</b>	<b>6,516</b>
<b>Net result from continuing operations</b>	<b>-155,365</b>	<b>6,614</b>	<b>40,325</b>	<b>39,695</b>
<b>Discontinued operations</b>	<b>-</b>	<b>-964</b>	<b>2,802</b>	<b>3,132</b>
<b>Net result</b>	<b>-155,365</b>	<b>5,650</b>	<b>43,127</b>	<b>42,827</b>

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## CONSOLIDATED CASH FLOW STATEMENT

<i>(x € thousand)</i>				
	<b>31/12/2012</b>	<b>30/06/2012</b>	<b>31/12/2011</b>	<b>30/06/2011</b>
<b>Operating profit before tax</b>	(176,236)	5,358	46,536	46,211
<b>Cash flow from operating activities</b>				
Adjustments for:				
- Depreciation and amortisation	32,972	17,192	37,006	18,055
- Valuation results on associates using the equity method	(6,758)	(4,788)	(4,133)	(3,814)
- Valuation results on Financial receivables at fair value through profit or loss	(30,321)	(20,533)	(14,404)	-
- Valuation results on Financial liabilities at fair value through profit or loss	16,911	-	-	-
- Impairments	258,021	45,328	79,394	30,885
<b>Cash flows from operating activities</b>	<b>94,589</b>	<b>42,557</b>	<b>144,399</b>	<b>91,337</b>
Net increase/ (decrease) in operating assets and liabilities				
- Financial receivables/liabilities from trading activities	(1,615)	(6,237)	(15,817)	(7,558)
- Financial receivables at fair value through profit or loss	(85,759)	(570,597)	(447,652)	(351,857)
- Due from/due to banks	1,205,701	1,303,524	29,299	(390,141)
- Loans and advances to the public and private sectors	(1,038,486)	(823,301)	933,184	304,111
- Derivatives	24,052	15,698	37,143	(30,168)
- Provisions	14,747	10,032	(911)	539
- Other assets and liabilities	(70,125)	(105,670)	(93,719)	(119,394)
- Deferred tax assets / tax liabilities	(19,171)	(7,959)	12,290	2,826
- Current tax assets / tax liabilities	20,764	7,349	(9,664)	(6,358)
Total movement in assets and liabilities	50,108	(177,161)	444,153	(598,000)
<b>Net cash flow from operating activities</b>	<b>144,697</b>	<b>(134,604)</b>	<b>588,552</b>	<b>(506,663)</b>
<b>Cash flows from discontinued operations</b>	<b>-</b>	<b>(58,098)</b>	<b>(6,250)</b>	<b>(7,625)</b>
<b>Cash flows from investing activities</b>				
Investments and acquisitions				
- Investments in debt instruments	(474,613)	(216,248)	(676,349)	(59,062)
- Investments in equity instruments	(3,556)	(5,682)	(2,551)	(2,052)
- Investments in group companies ( exclusive of cash acquired)	-	-	-	-
- Investments in associates	(1,710)	(578)	(14,660)	(2,821)

- Property, plant and equipment	(5,912)	(5,391)	(18,562)	(5,914)
- Goodwill and other intangible assets	(4,210)	(2,356)	(5,199)	(1,556)
<b>Divestments, repayments and disposals</b>				
- Investments in debt instruments	385,673	299,048	1,092,117	331,647
- Investments in equity instruments	14,170	4,519	4,422	4,231
- Investments in associates	6,432	4,379	10,095	4,587
- Property, plant and equipment	17,759	16,699	3,325	1,034
- Goodwill and other intangible assets	171	(2)	2,109	642
<b>Net cash flow from investing activities</b>	<b>(65,796)</b>	<b>94,388</b>	<b>394,747</b>	<b>270,736</b>
<b>Cash flow from financing activities</b>				
Change in treasury shares	2,199	2,985	5,181	8,094
Change in other reserves	21,887	4,914	25,934	(17,847)
Equity instruments issued by subsidiaries	(6,455)	(7,030)	(177,182)	(4,818)
Minority interests	692	(325)	1,987	1,685
Additions to subordinated loans	-	-	-	(2,866)
Repayments on subordinated loans	(20,282)	(13,110)	(269,045)	(263,064)
Additions to debt securities	861,484	3,274	640,528	697,640
Repayments on debt securities	(639,416)	(453,809)	(354,074)	(174,621)
Additions on financial liabilities designated at fair value through profit or loss	179,188	151,840	-	-
Repayments on financial liabilities designated at fair value through profit or loss	(1,909)	(3,028)	-	-
Dividends paid	(16,366)	(16,366)	(28,673)	(28,673)
<b>Net cash flow from financing activities</b>	<b>381,022</b>	<b>(330,655)</b>	<b>(155,344)</b>	<b>215,530</b>
<b>Net increase in cash and cash equivalents</b>	<b>459,923</b>	<b>(428,969)</b>	<b>821,705</b>	<b>(28,022)</b>
Cash and cash equivalents at 1 January	1,210,702	1,209,339	388,997	388,997
Cash and cash equivalents at 30 June / 31 December	1,670,625	780,370	1,210,702	360,975
<b>Supplementary disclosure</b>				
Cash flows from interest received	948,585	466,363	1,082,668	510,405
Cash flows from interest paid	796,208	402,347	818,049	442,833
Cash flows from income tax	(20,978)	4,343	(9,664)	(6,625)
Cash flows from dividends received	9,251	8,012	19,386	10,928

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# TAXATION

## Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Internal Revenue Code ("**FATCA**") impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or "**FFI**" (as defined by FATCA)) that does not become a "**Participating FFI**" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States Account" of the Issuer (a "**Recalcitrant Holder**"). The Issuer is classified as an FFI.

The new withholding regime will be phased in beginning 1 January 2014 for payments from sources within the United States and will apply to "foreign passthru payments" (a term not yet defined) no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of (i) any Notes characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or after the "grandfathering date", which is the later of (a) 1 January 2014 and (b) the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified on or after the grandfathering date and (ii) any Notes characterized as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued before the grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have announced their intention to negotiate intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "**Reporting FI**" not subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being "**FATCA Withholding**") from payments it makes (unless it has agreed to do so under the U.S. "qualified intermediary," "withholding foreign partnership," or "withholding foreign trust" regimes). The Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthru payments and payments that it makes to Recalcitrant Holders. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and the Netherlands have expressed the intention to enter into an IGA.

If the Issuer becomes a Participating FFI under FATCA, the Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder. If an amount in respect of FATCA Withholding were to be deducted or withheld from interest, principal or other payments made in respect of the Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

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

**TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL**

**INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.**

## TAXATION – NETHERLANDS

### General

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

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

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

- (i) holders of Notes if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest or deemed substantial interest in the Issuer under The Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his/her partner (as defined in The Netherlands Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) holds rights to acquire, directly or indirectly, such interest; or (iii) holds certain profit sharing rights in that company that relate to 5% or more of the company's annual profits and/or to 5% or more of the company's liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;
- (ii) persons to whom the beneficial interest in the Notes is attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Netherlands Income Tax Act 2001;
- (iii) pension funds, investment institutions (*fiscale beleggingsinstellingen*), exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (as defined in The Netherlands Corporate Income Tax Act 1969; *Wet op de vennootschapsbelasting 1969*) and other entities that are exempt from Netherlands corporate income tax;
- (iv) holders of Notes who receive or have received the Notes as employment income, deemed employment income or receive benefits from the Notes as a remuneration or deemed remuneration for activities performed by such holders or certain individuals related to such holders (as defined in the Netherlands Income Tax Act 2001); and,
- (v) holders of Notes holding Notes that are or are treated as (a) shares (*aandelen*), (b) profit-sharing certificates (*winstbewijzen*), (c) debt characterized as equity for Netherlands tax purposes or (d) redeemable in exchange for, convertible into or linked to shares or other equity instruments issued or to be issued by the Issuer or a related entity.

Where this summary refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

## **Withholding Tax**

All payments of principal or interest made by the Issuer under the Notes may 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.

## **Taxes on income and capital gains**

### *Residents of the Netherlands*

Generally speaking, if the holder of the Notes is an entity that is a resident or deemed to be resident of the Netherlands for Netherlands corporate income tax purposes, any payment under the Notes or any gain or loss realised on the disposal or deemed disposal of the Notes is subject to Netherlands corporate income tax at a rate of 25 per cent (a corporate income tax rate of 20 per cent applies with respect to taxable profits up to €200,000, the bracket for 2013).

If a holder of the Notes is an individual, resident or deemed to be resident of the Netherlands for Netherlands income tax purposes (including the non-resident individual holder who has made an election for the application of the rules of The Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands), any payment under the Notes or any gain or loss realised on the disposal or deemed disposal of the Notes is taxable at the progressive income tax rates (with a maximum of 52 per cent), if:

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

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

### *Non-residents of the Netherlands*

A holder of Notes that is neither resident nor deemed to be resident of the Netherlands nor has made an election for the application of the rules of The Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands will not be subject to Netherlands taxes on income or capital gains in respect of any payment under the Notes or in respect of any gain or loss realised on the disposal or deemed disposal of the Notes, provided that:

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

## **Gift and inheritance taxes**

### *Residents of the Netherlands*

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

### *Non-residents of the Netherlands*

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

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

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

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

No Netherlands VAT will be payable by the holders of the Notes on any payment in consideration for the issue of the Notes or with respect to the payment of interest or principal by the Issuer under the Notes.

## **Other taxes and duties**

No Netherlands registration tax, customs duty, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable by the holders of the Notes in respect or in connection with the issue of the Notes or with respect to the payment of interest or principal by the Issuer under the Notes.

## **EU Savings Directive**

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being 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 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the Directive, which included the Commission's advice on the need for changes to the Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. Discussions are still ongoing at council level. If any of those proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above.

## TAXATION – BELGIUM

### General

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

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

### Income tax and withholding tax

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

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

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

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

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

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

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

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

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

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

To the extent that payments of interest on the Notes are made through a paying agent in Belgium, such payments will in principle be subject to a 25% withholding tax in Belgium (computed on the interest received after deduction of any non-Belgian withholding taxes). In certain circumstances, exemption from withholding tax may be available. The withholding tax that has been levied, if any, is creditable against the corporate income tax due subject to certain conditions.

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

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

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

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

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

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

Noteholders not resident in Belgium for tax purposes are, in principle, subject to non-resident income tax in Belgium (*impôt des non-résidents/belasting der niet-inwoners*) and will, in principle, be subject to the tax treatment described below insofar as the Notes are concerned.

Payments of interest on the Notes made through a paying agent in Belgium will in principle be subject to a 25% withholding tax, save the application of a double taxation agreement (if any). Non-resident investors that do not hold the Notes through a Belgian establishment can also obtain an exemption of Belgian withholding tax on interest if certain conditions are met.

The non-residents who use the Notes to exercise a professional activity in Belgium through a permanent establishment are subject to the same tax rules as the Belgian resident companies (see above, section "*Tax rules applicable to corporations*").

Non-resident Noteholders who do not allocate the Notes to a professional activity in Belgium and who do not hold the Notes through a Belgian establishment are not subject to Belgian income tax, save, as the case may be, in the form of withholding tax.

## Savings Directive

On 3 June 2003, the European Council of Economics and Finance Ministers adopted a directive on the taxation of savings income in the form of interest payments (the "**Savings Directive**"), which was transposed into Belgian law by the Act of 17 May 2004. The Savings Directive entered into force on 1 July 2005. Pursuant to the directive, paying agents established in an EU Member State must provide that State's competent authority with certain details of the payment of interest to any individual resident in another EU Member State. That competent authority is then required to communicate this information to the competent authority of the EU Member State of which the recipient is a resident for tax purposes.

However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments, called the Home State Tax (*prélèvement pour l'Etat de résidence/woonstaatheffing*) as defined in the Belgian implementation of the Directive.

A number of non-EU countries and territories including Switzerland have adopted similar measures (a Home State Tax system in the case of Switzerland).

Potential purchasers of Notes should note that the European Commission has announced proposals to amend the Savings Directive which may, if implemented, amend or broaden the scope of the requirement describe above. The proposed amendments would extend the scope of the Directive to (i) payments made through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an EU resident individual, and (ii) a wider range of income similar to interest.

## Tax on stock exchange transactions

A tax on stock exchange transactions (*taxe sur des opérations de bourse/taks op de beursverrichtingen*) at a rate of 0,09% (subject to a maximum amount of EUR 650 per party and per transaction) is due upon the sale and purchase of the Notes entered into or settled in Belgium in which a professional intermediary acts for either party and to the extent that they relate to public funds. The notion "**public funds**" refers to all marketable securities, which, by their nature, are susceptible of being traded on an organized exchange. The tax is due from each of the seller and the purchaser, both collected by the professional intermediary.

The tax will not be payable by exempt persons acting for their own account, including investors who are not Belgian residents and certain Belgian institutional investors as defined in Article 126<sup>1</sup> of the Code governing miscellaneous duties, levies and taxes.

**The above description does not constitute a summary of the tax laws currently in force, which are liable to change and evolve over time. In each case, please consult your tax and financial advisor concerning your individual situation as well as further to any change in the tax laws.**



## SUBSCRIPTION AND SALE

The Dealers have in a programme agreement which has been amended and restated on 12 April 2013 (the "**Programme Agreement**"), agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under '*Form of the Notes*' and '*Terms and Conditions of the Notes*' above. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme.

### United States of America

1. The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to, or for the account of, or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer has represented and agreed that it has offered and sold any Notes, and will offer and sell any Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and notified as provided below, only in accordance with Rule 903 of Regulation S under the Securities Act ("**Regulation S**"). Accordingly, each Dealer had further represented and agreed that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer who has subscribed for Notes of a Tranche hereunder (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche subscribed for by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and notify to the Agent the completion of the distribution by it of the Notes of such Tranche. On the basis of such notification or notifications, the Agent will notify such Dealer/Lead Manager of the end of the Distribution Compliance Period with respect to such Tranche. Each Dealer has also agreed that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the Distribution Compliance Period a confirmation or notice to substantially the following effect:

*'The securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Securities as determined and notified by the Agent for the Securities to the [name of the relevant Dealer], except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them in Regulation S.'*

Terms used in this sub-clause 1(1) have the meanings given to them by Regulation S.

2. In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

In addition (but only in relation to Notes with an initial maturity in excess of 365 days):

*where TEFRA D is specified in the applicable Final Terms:*

- (a) except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**D Rules**"), each Dealer (a) represents that it has not offered or sold, and agrees that during the restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (b) represents that it has not delivered and agrees that it will not deliver

within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;

- (b) each Dealer represents that it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (c) if it is a United States person, each Dealer represents that it is acquiring the Notes for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6); and
- (d) with respect to each affiliate that acquires Notes from a Dealer for the purpose of offering or selling such Notes during the restricted period, such Dealer repeats and confirms the representations and agreements contained in subparagraphs (a), (b) and (c) on such affiliate's behalf.

Terms used in this paragraph (2) have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the D Rules.

*where TEFRA C is specified in the applicable Final Terms:*

Each Dealer understands that under U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the "**C Rules**"), Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer represents and agrees that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of Notes in bearer form, the Dealer has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either the Dealer or the prospective purchaser is within the United States or its possessions or otherwise involve a U.S. office of the Dealer in the offer or sale of Notes in bearer form. Terms used in this paragraph (2) have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the C Rules.

Certain issues of Notes shall be subject to any additional U.S. selling restrictions set out in the applicable Final Terms. Each relevant Dealer agrees that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

### **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(ii) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(iii) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (i) to (iii) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression '**an offer of Notes to the public**' in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

### **United Kingdom**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("**FSMA 2000**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA 2000 does not, or in the case of the Issuer would not, if it was not an authorised person, apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA 2000 with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

### **The Netherlands**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that unless the relevant final terms specify that this provision does not apply because the standard exemption wording required by Article 5:20(5) of the Netherlands Act on Financial Supervision (*Wet op het financieel toezicht*) is not applicable, it will not make an offer of Notes to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Prospectus Directive or (ii) standard exemption wording is disclosed as required by Article 5:20(5) of the Netherlands Act on Financial Supervision (*Wet op het financieel toezicht*), provided that no such offer of Notes shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Each Dealer has represented and agreed that Zero Coupon Notes (as defined below) in definitive form of any Issuer may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member of NYSE Euronext with due observance of the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required in respect of (a) the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) the issue and trading of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in the Zero Coupon Note in

global form) of any particular Series are issued outside the Netherlands and are not distributed into the Netherlands in the course of their initial distribution or immediately thereafter. In the event that the Dutch Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with and, in addition thereto, if such Zero Coupon Notes in definitive form do not qualify as commercial paper traded between professional borrowers and lenders within the meaning of the agreement of 2 February 1987, attached to the Royal Decree of 11 March 1987, (*Staatsblad 129*) (as amended), each transfer and acceptance should be recorded in a transaction note, including the name and address of each party to the transaction, the nature of the transaction and the details and serial numbers of such Notes. For purposes of this paragraph "**Zero Coupon Notes**" means Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the "**FIEA**") and each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of or otherwise in compliance with the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## **General**

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers or sells Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or deliveries and the Issuer shall not have any responsibility therefore. Neither the Issuer nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale. With regard to each Tranche, the relevant Dealer will be required to comply with any other additional restrictions set out in the applicable Final Terms.

## GENERAL INFORMATION

### Authorisation

The establishment of the Programme and the issue of Notes under the Programme have been duly authorised by a resolution of the Management Board of the Issuer dated 8 April 2003 and the update of the Programme has been duly authorised by a resolution of the Management Board of the Issuer dated 26 February 2013. All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of the Netherlands have been given for the issue of Notes and for the Issuer to undertake and perform its obligations under the Programme Agreement, the Agency Agreement and the Notes.

### Listing

Application may be made for certain series of Notes to be issued under the Programme to be listed on NYSE Euronext Amsterdam or the regulated market of the Luxembourg Stock Exchange (after a Notification has been sent to the CSSF). For listing purposes the regulated market of the Luxembourg Stock Exchange has allocated the Programme the number 006748.

A legal notice relating to the Programme as well as the Articles of Association of the Issuer will be lodged with the Registre de Commerce et de Sociétés à Luxembourg where such documents may be examined and copies obtained.

However, Notes may be issued pursuant to the Programme which will not be listed on NYSE Euronext Amsterdam or the regulated market of the Luxembourg Stock Exchange.

### Documents Available

For the life of the Base Prospectus and for so long as any Notes are outstanding under the Programme, copies of the following documents will, when published, be available free of charge from the registered offices of the Issuer, from the specified office of the Amsterdam Listing Agent and from the specified office of the Luxembourg Listing Agent in Luxembourg (after the CSSF has been provided with a Notification):

- (a) an English translation of the Deed of Incorporation and the most recent Articles of Association of the Issuer and Van Lanschot N.V.;
- (b) the Dutch language publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2012 and an English translation of the publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2011 of Van Lanschot N.V. (including the respective auditor's reports hereon) as included in Van Lanschot N.V.'s annual reports over 2012 on page 71 to 200 and 202 and 2011 on page 65 to 196 and 199 respectively;
- (c) an English translation of the publicly available unaudited consolidated interim (semi-annual) financial statements of Van Lanschot N.V. as of and for the periods ended 30 June 2012 and 30 June 2011 as set forth in the semi-annual reports over those periods;
- (d) the terms and conditions as set forth on page 21 up to and including 41 of the prospectus of the Issuer relating to the Programme dated 6 May 2004;
- (e) the terms and conditions as set forth on page 31 up to and including 51 of the prospectus of the Issuer relating to the Programme dated 30 August 2005;
- (f) the terms and conditions as set forth on page 36 up to and including 57 of the prospectus of the Issuer relating to the Programme dated 17 August 2006;
- (g) the terms and conditions as set forth on page 40 up to and including 61 of the prospectus of the Issuer relating to the Programme dated 23 November 2007;

- (h) the terms and conditions as set forth on page 69 up to and including 171 of the prospectus of the Issuer relating to the Programme dated 5 January 2009;
- (i) the terms and conditions as set forth on page 69 up to and including 172 of the prospectus of the Issuer relating to the Programme dated 8 January 2010;
- (j) the terms and conditions as set forth on page 70 up to and including 172 of the prospectus of the Issuer relating to the Programme dated 21 January 2011;
- (k) the terms and conditions as set forth on page 75 up to and including 182 of the prospectus of the Issuer relating to the Programme dated 14 March 2012;
- (l) the Agency Agreement (which contains the forms of the Temporary and Permanent Global Notes, the Definitive Notes, the Receipts, the Coupons and the Talons);
- (m) a copy of this Base Prospectus;
- (n) any future Base Prospectuses and supplements to this Base Prospectus and any documents incorporated herein or therein by reference;
- (o) the Final Terms for each Tranche of listed Notes; and
- (p) the 403-Declaration.

### **Clearing and Settlement Systems**

The Notes have been accepted for clearance through Euroclear, Clearstream, Luxembourg or Euroclear Netherlands and Clearnet SA Amsterdam Branch Stock Clearing. The appropriate common code and ISIN for each Tranche allocated by Euroclear, Clearstream, Luxembourg or Euroclear Netherlands and any other relevant security code, will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The addresses of the clearing systems are: Euroclear, 1 Boulevard de Roi Albert II, 1210 Brussels, Clearstream Luxembourg, 42 Avenue J.F. Kenney, L-1855 Luxembourg, Luxembourg and Euroclear Netherlands, Herengracht 459-469, 1017 BS, Amsterdam, the Netherlands.

### **Significant Change**

There has been no significant change in the financial or trading position of the Issuer or of Van Lanschot N.V. (taken as a whole), which has occurred since the end of the financial year ending 31 December 2012 for which period audited financial information has been published by Van Lanschot or since the end of the financial period ending 30 June 2012 for which period consolidated unaudited interim (semi-annual) financial information has been published. Neither has there been a material adverse change in the financial position or prospects of the Issuer or of Van Lanschot N.V., (taken as a whole) since 31 December 2012.

### **Credit Rating Agencies**

It is expected that the Notes will have credit ratings assigned by the credit rating agencies Fitch and S&P. These rating agencies are established in the European Union. As of the date of this Base Prospectus, each of Fitch and established in the European Union and is registered under Regulation (EC) No 1060/2009 of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

## **CRA Regulation**

Tranches of Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Notes. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The rating of a certain Series or Tranches of Notes to be issued under the Programme may be specified in the applicable Final Terms. Whether a credit rating applied for in relation to a relevant Series or Tranche of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation or by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation will be disclosed clearly and prominently in the applicable Final Terms.

None of these ratings is a recommendation to buy, sell or hold securities and any of them may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without prior notice.

## **Litigation**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or, as far as the Issuer is aware, threatened) which may have or have had in the 12 months preceding the date of this document a significant effect on the financial position or profitability of the Issuer and/or Van Lanschot N.V. or on the group of companies to which the Issuer and Van Lanschot N.V. belong taken as a whole.

## **Auditors**

Ernst & Young Accountants LLP has audited, and rendered unqualified audit reports on, the accounts of Van Lanschot N.V. for the two years ended 31 December 2012 and 31 December 2011 respectively. Ernst & Young Accountants LLP has given and has not withdrawn its written consent to the issue of this Base Prospectus with its report included herein in the form and context in which it appears. Ernst & Young Accountants LLP is located in Amsterdam at Cross Towers, Antonio Vivaldistraat 150 (1083 HP), the Netherlands. The auditors of Ernst & Young Accountants LLP are members of the NBA, (*Nederlandse Beroepsorganisatie van Accountants*), the Dutch professional organisation for accountants.

## **Post-issuance information**

Unless indicated otherwise in the Final Terms, the Issuer does not intend to provide post-issuance information.

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