

## PROSPECTUS



# ABN AMRO Bank N.V.

*(incorporated in The Netherlands with its statutory seat in Amsterdam)*

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### PROSPECTUS RELATING TO

EUR 35,000,000 0.5% EXCHANGEABLE SECURITIES INTO LVMH

DUE 16 MARCH 2009

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The issue price of the EUR 35,000,000 0.5% Exchangeable Securities into LVMH due 16 March 2009 (the "**Securities**") issued by ABN AMRO Bank N.V., acting through its London Branch, (the "**Issuer**") on 16 March 2006 (the "**Issue Date**") was EUR 1,000 per Security. This document is a prospectus for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") and constitutes the Prospectus relating to the listing of Securities on the Luxembourg Stock Exchange's regulated market and should be read and construed in accordance with the Registration Document for ABN AMRO Holding N.V. and ABN AMRO Bank N.V. dated 27 June 2008 (the "**Registration Document**"). Full information on the Securities and the Issuer is only available on the basis of the combination of this Prospectus and the Registration Document. As set out in "*Documents Incorporated by Reference*", the Registration Document is deemed to be incorporated in and forms a part of this Prospectus. Any Securities issued on or after the date of this Prospectus are issued on the basis of the provisions described herein.

The Securities are in bearer form and in the denomination of EUR 1,000. The Securities were initially in the form of a Global Note (the "**Global Note**"), without interest coupons, which was deposited on or around the Issue Date with a common depositary for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking ("**Clearstream**"). The Global Note will be exchangeable in certain limited circumstances in whole, but not in part, for Securities in definitive form in the denomination of EUR 1,000 and with interest coupons attached. See "*Summary of Provisions Relating to the Securities in Global Form*".

Prospective purchasers of the Securities should ensure that they understand fully the nature of the Securities and the extent of their exposure to the risks associated with the Securities. The market price and / or value of the Securities may be volatile and holders of the Securities may not receive any return on the value of their investment. Prospective purchasers need to consider the suitability of an investment in the Securities in light of their own financial, fiscal, regulatory and other circumstances.

A discussion of principal risk factors that could affect holders of the Securities (the "**Holders**") are contained in the section headed "*Risk Factors*" but this Prospectus does not describe all of the risks of an investment in the Securities.

No person has been authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer.

The Issuer accepts responsibility for the information contained in this 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 document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Where information has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Prospectus is to be read in conjunction with all documents that are deemed to be incorporated therein by reference and shall be read and construed on the basis that such documents are incorporated in and form part of the Prospectus.

Application will be made to Luxembourg Stock Exchange ("**Luxembourg Stock Exchange**") for the Securities to be admitted to trading and listed on the regulated market. References in this Prospectus to the Securities being "**listed**" (and all related references) shall mean that application will be made for the Securities to be admitted to trading on the regulated market of Luxembourg Stock Exchange which is a regulated market for the purposes of Directive 93/22/EC (the "**Investment Services Directive**"). At the time of issue of this Prospectus the Securities have not been admitted for listing on any exchange.

The Issuer has not authorised the making or provision of any representation or information regarding the Issuer or the Securities. Neither the delivery of this document nor any information provided in the course of a transaction in the Securities shall, in any circumstances, be construed as a recommendation by the Issuer to enter into any transaction with respect to the Securities. Each prospective investor contemplating a purchase of the Securities should make its own independent investigation of the risks associated with a transaction involving the Securities.

An investment in the Securities is only suitable for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The delivery of this document does not at any time imply that there has been no change in the affairs of the Issuer since the date of this Prospectus. The Issuer does not intend to provide any post-issuance information.

The Issuer does not represent that this document may be lawfully distributed, or that Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any 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, which would permit a public offering of the Securities or possession or distribution of this Prospectus or any offering material in relation to the Securities in any jurisdiction where action for that purpose is required, save in the Netherlands, where this Prospectus has been approved by the competent local authority in accordance with the Prospectus Directive and Luxembourg, where this Prospectus will be notified to the competent local authority in accordance with the Prospectus Directive. No offers, sales or deliveries of any Securities, or distribution of any offering material relating to the Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligation on the Issuer. For a description of certain restrictions on offers, sales and deliveries of Securities and the distribution of this document

and other offering material relating to the Securities please refer to "*Selling Restrictions*" in this Prospectus.

All references in this Prospectus to "**EUR**" and "**Euro**" are references to the lawful currency of the European Union (EU).

ABN AMRO BANK N.V., acting through its London Branch

ISIN: **XS0247050643**

The date of this Prospectus is 27 August 2008

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## SUMMARY

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*This summary must be read as an introduction to this Prospectus and any decision to invest in the Securities should be based on a consideration of this Prospectus as a whole, including the document incorporated by reference. No civil liability attaches to the Issuer in respect of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to information contained in this Prospectus is brought before a court in a Member State of the European Economic Area (an “EEA State”), the plaintiff may, under the national legislation of the EEA State where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.*

Words and expressions defined elsewhere in this Prospectus shall have the same meanings in this summary.

### Issuer

ABN AMRO Bank N.V.

### History and Development

The Issuer is a subsidiary of ABN AMRO Holding N.V. ("**Holding**"). Holding's is a public limited liability company incorporated under Dutch law on 30 May 1990 with registered offices in Amsterdam, The Netherlands. The main address is Gustav Mahlerlaan 10, 1082 PP Amsterdam, with a mailing address in The Netherlands at Post Office Box 283, 1000 EA Amsterdam.

On 17 October 2007 RFS Holdings B.V., a company whose shares are held by The Royal Bank of Scotland Group plc ("**RBS**"), Banco Santander S.A. ("**Santander**"), Fortis N.V. and Fortis SA/N.V. ("**Fortis**") acquired 85.6% of ABN AMRO Holding N.V. Through subsequent purchases RFS Holdings B.V. increased its stake in ABN AMRO Holding N.V. and its consolidated subsidiaries ("**ABN AMRO**") to 99.3% as at 31 December 2007. RFS Holdings B.V. is controlled by RBS, which is incorporated in the U.K. and registered at 36 St. Andrew Square, Edinburgh, Scotland. As from 17 October 2007 The Royal Bank of Scotland Group plc is the ultimate parent

company of ABN AMRO Holding N.V.

Holding's consolidated financial statements include condensed financial information with respect to ABN AMRO Bank N.V., which itself had total assets of €1,025 billion as of 31 December 2007.

## **Plans and proposals**

Following the completion of the acquisition, RBS, Fortis and Santander (the "**Consortium Banks**") have worked closely with the management of ABN AMRO to verify and expand the information received from, and assumptions made on the basis of, the limited due diligence access granted to them before announcement of the offers.

In December 2007, the Consortium Banks agreed and validated a base-line plan for achieving synergies and for separating and transferring the ABN AMRO businesses to the respective banks. The businesses to be acquired by each of the Consortium Banks and in which each have an interest through their share holdings in RFS Holdings B.V. equal to their funding requirements, are:

RBS: Business Unit North America, Business Unit Global Clients (excluding Latin America) and Dutch wholesale clients and wholesale clients in Latin America (excluding Brazil), Business Unit Asia (excluding interest in Saudi Hollandi Bank) and Business Unit Europe (excluding Antonveneta).

Fortis: Business Unit Netherlands (excluding former Dutch wholesale clients), Business Unit Private Clients (excluding Latin America) and Business Unit Asset Management. The European Commission has cleared the acquisition of certain businesses of ABN AMRO by Fortis, on the condition that certain specified businesses were divested. The businesses identified for disposal are the Hollandsche Bank Unie N.V., 13 advisory branches and two Corporate Client Departments as well as the sale

of the Dutch factoring company IFN Finance B.V. Fortis can only acquire control over ABN AMRO's Business Unit Netherlands and Business Unit Private Clients after divesting these assets to a suitable purchaser.

Santander: Business Unit Latin America (excluding wholesale clients outside Brazil), Antonveneta, Asset Management Antonveneta and Private Clients business in Latin America. On 8 November 2007 Santander announced it had reached an agreement with Banco Monte dei Paschi di Siena with respect to the sale of Antonveneta.

Furthermore the Consortium Banks participate proportionally to their funding commitment in the shared assets which include: central functions including Head Office functions, the private equity portfolio, ABN AMRO Group's investment in Saudi Hollandi Bank, the central investment portfolio and debt issuances. During the reorganisation, the Consortium Banks will retain a shared economic interest in all central functions (including Head Office functions) that provide support to the ABN AMRO businesses. The non-core assets are expected to be disposed of over a period of time with a view to maximising their value.

This transition plan forms the basis for continued consultation with employee representative bodies and regulators. The plan for separating and transferring the ABN AMRO businesses to the Consortium Banks was submitted to the Dutch Central Bank and Central Works Council for review in mid December and was neutrally advised by the Central Works Council on 14 February 2008 and approved by the Dutch Central Bank on 10 March 2008. Now that the approvals have been received, the implementation of the plan can begin.

Different parts of ABN AMRO will separate and integrate

at different times. The precise timing of the separation of the businesses will depend on a range of factors, including the complexity of the separation task. For more complex separation processes, where the businesses are closely interlinked with the ABN AMRO Group systems and platforms, (such as within the BU Netherlands), separation and integration is expected to take some time; in contrast other less complicated separations will move relatively quickly. In each case the pace of the separation process will aim to accommodate the need for clarity among employees while also maintaining the appropriate level of service to ABN AMRO's clients.

The Consortium Banks are in the process of agreeing on the ownership of the debt issued and/or guaranteed by ABN AMRO. Upon the finalisation of this agreement, the impact, if any, on the debt issuances will be communicated.

## **Our Business**

The following organisational structure was adopted in January 2006. This structure was used by the Consortium Banks to divide the activities amongst each other:

Holding's Group structure comprises:

- seven client BUs
- three global product BUs
- two cross-BU segments
- Group Functions
- Services

The seven client BUs consist of five regional BUs (The Netherlands, Europe North America, Latin America and Asia) and two global client BUs, Private Clients and Global Clients. BU Global Clients overlaps the regional BUs in the segment reporting adopted in 2007.

The three global product BUs (Global Markets, Transaction Banking and Asset Management) support the client BUs by developing and delivering products for all of ABN AMRO's clients globally.



The Commercial Client Segment encompasses all of ABN AMRO's commercial clients. The Commercial Client Segment coordinates activities across the Client and Product BUs, sharing best practice and the overall strategic framework supporting this essential component of the Bank's portfolio.

Group Functions delivers support across the Group in areas ranging from Risk to Finance and from Human Resources to Sustainability.

Services focuses on increasing its operational efficiency through Group-wide consolidation and standardisation.

As from 2008, ABN AMRO will be organised into three units each containing the businesses that will ultimately be transferred to the respective Consortium Banks. A fourth unit will include central functions including the Head Office functions and businesses which are regarded as non-strategic.

**Guarantor**

ABN AMRO Holding N.V. pursuant to its declaration under Article 2:403 of the Netherlands Civil Code.

**Risk Factors**

There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Securities, including the fact that the Issuer's results can be adversely affected by (i) general economic conditions and other business conditions, (ii) competition, (iii) regulatory change and (iv) standard banking risks including changes in interest and foreign exchange rates and operational, credit, market, liquidity and legal risks, see "Risk Factors" in the Registration Document. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with the Securities, see "Risk Factors" in this Prospectus.

**Principal Agent and Calculation  
Agent**

ABN AMRO Bank N.V.

**Securities**

EUR 35,000,000 0.5% Exchangeable Securities into LVMH

<b>Description of the Securities</b>	The Securities are exchangeable securities which provide the Holders an Optional Exchange Right (as defined below) to exchange the Securities for the Cash Amount 2 (as defined below) prior to the Valuation Date (as defined below). The Securities bear interest at 0.5 per cent. per annum until the earlier of the Maturity Date or the cancellation or redemption of the Securities pursuant to an Optional Exchange Right (as defined below) or otherwise. The conditions applicable to the Securities are contained in the general conditions (the " <b>General Conditions</b> ") and the product conditions (the " <b>Product Conditions</b> ") set out in this Prospectus.
<b>ISIN</b>	XS0247050643.
<b>Common Code</b>	24705064.
<b>Listing and Admission to Trading</b>	Application will be made to Luxembourg Stock Exchange for the Securities to be admitted to trading and to be listed on the regulated market of Luxembourg Stock Exchange.
<b>Issue Size</b>	EUR 35,000,000.
<b>Nominal Amount</b>	Each Security is issued in the denomination of EUR 1,000.
<b>Issue Date</b>	16 March 2006.
<b>Issue Price</b>	100% of the Nominal Amount.
<b>Listing Date</b>	5 September 2008.
<b>Maturity Date</b>	16 March 2009.
<b>Cash Amount 1</b>	The cash amount payable at redemption on the Maturity Date will be 100% of the Nominal Amount of the Securities (the " <b>Cash Amount 1</b> "). Subject to the Optional Exchange Right (as defined below), and unless previously exchanged, redeemed or purchased and cancelled and subject as provided by the General Conditions and Product Conditions, each Security will be redeemed in respect of each Nominal Amount at the Cash Amount 1.

**Optional Exchange Right**

The right of the Holder to exchange any Security, in whole but not in part, for the Cash Amount 2 (as defined below) in accordance with Product Conditions. The Holder is entitled to exercise the Optional Exchange Right prior to the Valuation Date, by giving five Business Days notice. Upon such valid exchange, the right of the relevant Holder to receive the Cash Amount 1 and/or the Interest Amount (both as defined below) shall cease to exist, and in consideration and exchange thereof the Holder shall receive the Cash Amount 2.

**Cash Amount 2**

The cash amount payable if the Holder exercise its Optional Exchange Right, will be equal to the Execution Price (as defined below) multiplied by the Share Entitlement (as defined below).

**Execution Price**

The price per Share (as defined below), as calculated by the Calculation Agent, on the basis of the average actual price at which the Issuer can execute and sell on the Exchange (as defined in the Product Conditions) the Shares it holds for its hedge in respect of the Securities on each Trading Day (as defined in the Product Conditions) during the Execution Period (as defined in the Product Conditions).

**Share Entitlement**

9.6942 Shares (as defined below) per Security.

**Valuation Date**

Fifteen (15) Trading Days (as defined in the Product Conditions) prior to the Maturity Date.

**Interest**

The Securities bear interest at 0.5 per cent. per annum until the earlier of the Maturity Date or the cancellation or redemption of the Securities pursuant to an Optional Exchange Right or otherwise. Holders are entitled to receive the Interest Amount (as defined below) on each Interest Payment Date (as defined in the Product Condition). For the avoidance of doubt, if a Holder exercise its Optional Exchange Right (as defined above),

	no further Interest Amount shall accrue.
<b>Interest Amount</b>	0.5% of the Nominal Amount.
<b>Shares</b>	Ordinary shares of LVMH Moët Hennessy Louis Vuitton SA (Bloomberg: MC FP, ISIN: FR0000121014)
<b>Risk factors relating to the Securities</b>	There are certain factors which are material for the purpose of assessing the market risks associated with the Securities. Several factors beyond the control of the Issuer which may influence the value of the Securities are: (i) the value of the Shares; (ii) the volatility (i.e. the frequency and magnitude of changes) in the price of the Shares; (iii) currency exchange rates, interest rates and yields in the market generally and (iv) economic, financial, political and regulatory or judicial events that affect the financial markets generally and which may affect the market price of the Shares, see " <i>Risk Factors</i> " in this Prospectus.
<b>Selling Restrictions</b>	There are restrictions on the sale of the Securities and the distribution of the offering material in certain jurisdictions including the United States and the European Economic Area (including the United Kingdom and The Netherlands). In addition, these Securities may not be offered or sold: (i) to any person/entity listed on sanctions lists of the European Union, United States or any other applicable local competent authority; (ii) within the territory of Cuba, Sudan, Iran and Myanmar; (iii) to residents in Cuba, Sudan, Iran or Myanmar; (iv) to Cuban Nationals, wherever located.
<b>General Conditions</b>	Set out below is a summary of certain significant provisions of the General Conditions applicable to the Securities.
<i>Status of the Securities</i>	The Securities constitute unsecured and unsubordinated obligations of the Issuer and rank <i>pari passu</i> 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.

### *Early Termination*

The Issuer may terminate any Securities if it shall have determined in its absolute discretion that for reasons beyond its control its performance thereunder shall have become unlawful in whole or in part as a result of compliance in good faith by the Issuer with any applicable law. In such circumstances the Issuer will, to the extent permitted by law, pay to each Holder in respect of each Security held by such Holder an amount calculated by it as the fair market value of the Security immediately prior to such termination (ignoring such illegality) less the cost to the Issuer of unwinding any related hedging arrangements.

### *Hedging Disruption*

If a Hedging Disruption Event (as defined in General Condition 5) occurs, the Issuer will at its discretion: (i) terminate the Securities and pay to each Holder in respect of each Security held by such Holder an amount calculated by it as the fair market value of the Security immediately prior to such termination less the cost to the Issuer of unwinding any related hedging arrangements; or (ii) make a good faith adjustment to the relevant reference asset as described in General Condition 5(c); or (iii) make any other adjustment to the Conditions as it considers appropriate in order to maintain the theoretical value of the Securities after adjusting for the relevant Hedging Disruption Event.

### *Substitution*

The Issuer may at any time, without the consent of the Holders, substitute for itself as principal obligor under the Securities any company, being any subsidiary or affiliate of the Issuer, subject to certain conditions including the obligations of the substitute issuer under the Securities being guaranteed by Holding (unless Holding is the Substitute).

### *Taxation*

Holders (and not the Issuer) shall be liable for and/or pay any tax, duty or charge in connection with, the ownership of and/or any transfer, payment or delivery in respect of

the Securities held by such Holder. The Issuer shall have the right, but shall not be obliged, to withhold or deduct from any amount payable to any Holder such amount as shall be necessary to account for or to pay any such tax, duty, charge, withholding or other payment.

**Product Conditions**

Set out below is a summary of certain significant provisions of the Product Conditions applicable to the Securities.

*Form of the Securities*

The Securities will be issued in global form.

*Settlement of the Securities*

The Securities shall be cash settled as specified in the Product Condition.

*Market Disruption Events*

If a Market Disruption Event occurs Holders of the Securities may experience a delay in settlement and the cash price paid on settlement may be adversely affected. Market Disruption Events are specified in Product Condition 4.

*Potential Adjustment Events*

If a Potential Adjustment Event occurs, the Calculation Agent may adjust one or more of the Conditions. Potential Adjustment Events are defined in Product Condition 4.

*Governing Law*

English law.

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## RISK FACTORS

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*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Securities. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the Securities are also described below. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Securities, but the inability of the Issuer to pay principal or other amounts on or in connection with the Securities may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Securities are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision. Before making an investment decision with respect to the Securities, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the Securities and consider such an investment decision in the light of the prospective investor's personal circumstances. Words and expressions defined elsewhere in this Prospectus shall have the same meaning in this section.*

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

Each potential investor in the Securities should refer to the Risk Factors section of the Registration Document incorporated by reference in this Prospectus for a description of those factors which may affect the Issuer's ability to fulfil its obligations under the Securities.

### **Factors which are material for the purpose of assessing the market risks associated with the Securities**

#### ***The Securities may not be a suitable investment for all investors***

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

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Securities, the merits and risks of investing in the Securities and the information contained or incorporated by reference in this Prospectus;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Securities and the impact the Securities will have on its overall investment portfolio;

- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Securities, including where the currency for payments under the terms of the Securities is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Securities and be familiar with the behaviour of financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Securities are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Securities unless it has the expertise (either alone or with a financial adviser) to evaluate how the Securities will perform under changing conditions, the resulting effects on the value of the Securities and the impact this investment will have on the potential investor's overall investment portfolio.

***The value of the Securities may fluctuate***

The value of the Securities may move up and down between their date of purchase and the Maturity Date. Prospective purchasers should therefore ensure that they understand fully the nature of the Securities before they invest in the Securities.

Several factors, many of which are beyond the Issuer's control, will influence the value of the Securities at any time, including the following:

- (a) *Valuation of the Shares.* The market price of the Securities at any time is expected to be affected primarily by changes in the price levels of the Shares to which the Securities are linked. It is impossible to predict how the price levels of the Shares will vary over time. Factors which may have an affect on the value of the Shares include the rate of return of the Shares and the financial position and prospects of the issuer of the Shares. In addition, the value of the Shares may depend on a number of interrelated factors, including economic, financial and political events and their effect on the capital markets generally and relevant stock exchanges. Potential investors should also note that whilst the market value of the Securities is linked to the Shares and will be influenced (positively or negatively) by them, any change may not be comparable and may be disproportionate. Further, where no market value is available for the Shares, the Calculation Agent, acting in a commercially reasonable



manner, may determine the value of the Shares to be zero notwithstanding the fact that there may be no Market Disruption Event and/or no Potential Adjustment Event which applies.

- (b) *Volatility.* The term "volatility" refers to the actual and anticipated frequency and magnitude of changes of the market price with respect to the Shares. Volatility is affected by a number of factors such as macro economic factors, speculative trading and supply and demand in the options, futures and other derivatives markets. Volatility of the Shares will move up and down over time (sometimes more sharply than others).
- (c) *Interest Rates.* Investments in the Securities may involve interest rate risk with respect to the currency of denomination of the Shares and/or the Securities. A variety of factors influence interest rates such as macro economic, governmental, speculative and market sentiment factors. Such fluctuations may have an impact on the value of the Securities at any time prior to valuation of the Shares relating to the Securities.
- (d) *Exchange Rates.* Even where payments in respect of the Securities are not expressly linked to a rate or rates of exchange between currencies, the value of the Securities could, in certain circumstances, be affected by such factors as fluctuations in the rates of exchange between any currency in which any payment in respect of the Securities is to be made and any currency in which the Shares is traded, appreciation or depreciation of any such currencies and any existing or future or governmental or other restrictions on the exchangeability of such currencies. There can be no assurance that rates of exchange between any relevant currencies which are current rates at the Issue Date will be representative of the relevant rates of exchange used in computing the value of the relevant Securities at any time thereafter.
- (e) *Disruption.* In accordance with the Conditions, the Calculation Agent may determine that a Market Disruption Event has occurred or exists at a relevant time. Any such determination may affect the value of the Securities and/or may delay settlement in the respect of the Securities. Prospective purchasers should review the Conditions to ascertain how such provisions apply to the Securities.
- (f) *Creditworthiness.* Any person who purchases the Securities is relying upon the creditworthiness of the Issuer and of Holding (pursuant to its declaration under Article 2:403 of the Netherlands Civil Code) and has no rights against any other person. The Securities constitute general, unsecured, contractual obligations of the Issuer and of no other person. The Securities rank *pari passu* among themselves.

***There may not be a secondary market in the Securities***

Potential investors should be willing to hold the Securities through their life. The nature and extent of any secondary market in the Securities cannot be predicted. As a consequence any person intending to hold the Securities should consider liquidity in the Securities as a risk. Even though the Securities are intended to be listed or quoted on an exchange or quotation system this does not imply greater or lesser liquidity than if the Securities were not so listed or quoted. However, if the Securities are not listed or quoted there may be a lack of transparency with regard to pricing information. Liquidity may also be affected by legal restrictions on offers for sale in certain jurisdictions. The Issuer may affect the liquidity of the Securities by purchasing and holding the Securities for its own account during trading in the secondary market. Any such Securities may be resold at any time into the market.

***Purchasing the Securities as a hedge may not be effective***

Any person intending to use the Securities as a hedge instrument should recognise the correlation risk. The Securities may not be a perfect hedge to a Share or portfolio of which the Shares forms a part. In addition, it may not be possible to liquidate the Securities at a level which directly reflects the price of the Shares or portfolio of which the Shares forms a part.

***Actions taken by the Issuer may affect the value of the Securities***

The Issuer and/or any of its affiliates may carry out activities that minimise its and/or their risks related to the Securities, including effecting transactions for their own account or for the account of their customers and hold long or short positions in the Shares whether for risk reduction purposes or otherwise. In addition, in connection with the offering of the Securities, the Issuer and/or any of its affiliates may enter into one or more hedging transactions with respect to the Shares. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and/or any of its affiliates, the Issuer and/or any of its affiliates may enter into transactions in the Shares which may affect the market price, liquidity or value of the Shares and/or the Securities and which could be deemed to be adverse to the interests of the Holders. The Issuer and/or its affiliates are likely to modify their hedging positions throughout the life of the Securities whether by effecting transactions in the Shares or in derivatives linked to the Shares. Further, it is possible that the advisory services which the Issuer and/or its affiliates provide in the ordinary course of its/their business could lead to an adverse impact on the value of the Shares.

***Holders have no ownership interest in the Shares***

The Securities convey no ownership interest in the Shares. The Issuer may choose not to hold the Shares or any derivatives contracts linked to the Shares. There is no restriction through the issue of the Securities on the ability of the Issuer and/or its affiliates to sell, pledge or otherwise convey all right, title and interest in the Shares or any derivatives contracts linked to the Shares.

***Actions taken by the Calculation Agent may affect the Shares***

The Calculation Agent is the agent of the Issuer and not the agent of the Holders or any of them. The Issuer shall initially act as the Calculation Agent. The Calculation Agent will make such adjustments as it considers appropriate as a consequence of certain corporate actions affecting the Shares. In making these adjustments the Calculation Agent is entitled to exercise substantial discretion and may be subject to conflicts of interest in exercising this discretion. The Calculation Agent is not required to make adjustments with respect to each and every corporate action.

***Taxes may be payable by investors***

Potential purchasers and sellers of the Securities should be aware that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Securities are transferred. Holders are subject to the provisions of General Condition 9.

Potential purchasers who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential purchasers should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

***The Securities may be terminated prior to the Maturity Date***

If the Issuer determines that the performance of its obligations under the Securities has become illegal or impossible in whole or in part for any reason or the Issuer determines that it is no longer legal or possible for it to maintain its hedging arrangement with respect to the Securities for any reason, the Issuer may at its discretion and without obligation terminate early the Securities. If the Issuer terminates early the Securities, the Issuer will, if and to the extent permitted by applicable law, pay the holder of each such Security an amount determined by the Calculation Agent to be its fair market value less the cost to the Issuer of unwinding any Shares related hedging arrangements notwithstanding the illegality or impossibility.

***Risks associated with Securities held in global form***

The Securities will be held by or on behalf of the clearing systems in the form of a global security which will be exchangeable for definitive Securities only in the event of the closure of all relevant clearing systems. For as long as any Securities are represented by a global security held on behalf of one or more relevant clearing systems, payments of principal, interest (if any) and any other amounts on a global security will be made through the relevant clearing systems against presentation or surrender (as the case may be) of the relevant global security and, in the case of a temporary global security, certification as to non-US beneficial ownership. The bearer of the relevant global security shall be treated by the Issuer and any Paying Agent as the sole holder of the relevant Securities

represented by such global security with respect to the payment of principal, interest (if any) and any other amounts payable in respect of the Securities or any securities deliverable in respect of the Securities. Securities which are represented by a global security will be transferable only in accordance with the rules and procedures for the time being of the relevant clearing systems. As a result of the Securities being held by or on behalf of the clearing systems, an investor may not be able to prove that it is a Holder and that it is entitled to interest payments or repayment of the principal.

***Risk associated with nominee arrangements***

Where a nominee service provider is used by an investor to hold the Securities or such investor holds interests in any Security through accounts with the clearing systems, such investor will receive payments in respect of principal or any other amounts due solely on the basis of the arrangements entered into by the investor with the relevant nominee service provider or clearing systems, as the case may be. Furthermore, such investor must rely on the relevant nominee service provider or clearing systems to distribute all payments attributable to the Securities which are received from the Issuer. Accordingly, such an investor will be exposed to the credit risk of, and default risk in respect of, the relevant nominee service provider or the clearing systems, as well as the Issuer.

In addition, such a Holder will only be able to sell any Securities held by it prior to the Maturity Date with the assistance of the relevant nominee service provider.

None of the Issuer or any Paying Agent shall be responsible for the acts or omissions of any relevant nominee service provider or the clearing systems nor makes any representation or warranty, express or implied, as to the service provided by any relevant nominee service provider or the clearing systems.

***There may be a change of law which may affect the value of the Securities***

The General Conditions and Product Conditions are based on English law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change to English law or administrative practice after the date of this Prospectus.

***Credit ratings may not reflect all risks***

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Securities. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

***The return on an investment in the Securities will be affected by charges incurred by investors***

Fees may be charged by the nominee service provider and/or the clearing system used by the investor. Such a person or institution may charge fees for the opening and operation of an investment account, transfers of securities, custody services and on payments of principal and other amounts. Potential investors are therefore advised to investigate the basis on which any such fees will be charged on the Securities.

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

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

***Risk factor relating to Substitution***

In the event that the Issuer is to be substituted as principal obligor under the Securities by one of the Consortium Banks or by an entity belonging to the group of one of the Consortium Banks, any such substitution has to comply with the requirements of the substitution clause in the terms and conditions of the Securities, including the requirement that the substitute issuer qualifies as subsidiary or affiliate of the Issuer. Please refer to “*General Condition 8 – Substitution*”. It is currently expected that as a result of the separation and transfer of the ABN AMRO business one of the Consortium Banks and certain entities belonging to the group of the relevant Consortium Bank will qualify as affiliate of the Issuer within the meaning of the substitution clause. This would enable the substitution of the Issuer by the relevant Consortium bank or by an entity belonging to the group of the relevant Consortium Bank provided the other requirements of the substitution clause will be met. Holders should be aware that as a result of a substitution (if any) the Securities will be subject to different risks in relation to the Substitute (as defined in the General Conditions) assuming obligations of ABN AMRO Bank N.V. under the Securities. Such risks may include the credit risks of the Substitute, certain modifications being made to the terms and conditions of the Securities and other risks specific to the Substitute. Investors should note that following a substitution Holders will no longer have any claim or recourse against ABN AMRO Bank N.V. In addition, investors should be aware that no consent of the Holders will be required if the Issuer elects to exercise its substitution right in accordance with *General Condition 8 (Substitution)*. However, no assurance is given that any substitution will occur in respect of the Securities.

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## ESSENTIAL CHARACTERISTICS OF THE ISSUER

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The Issuer is a subsidiary of ABN AMRO Holding N.V. Holding's is a public limited liability company incorporated under Dutch law on 30 May 1990 with registered offices in Amsterdam, The Netherlands. The main address is Gustav Mahlerlaan 10, 1082 PP Amsterdam, with a mailing address in The Netherlands at Post Office Box 283, 1000 EA Amsterdam.

On 17 October 2007 RFS Holdings B.V., a company whose shares are held by The Royal Bank of Scotland Group plc, Banco Santander S.A., Fortis N.V. and Fortis SA/N.V. acquired 85.6% of ABN AMRO Holding N.V. Through subsequent purchases RFS Holdings B.V. increased its stake in ABN AMRO Holding N.V. and its consolidated subsidiaries to 99.3% as at 31 December 2007. RFS Holdings B.V. is controlled by RBS, which is incorporated in the U.K. and registered at 36 St. Andrew Square, Edinburgh, Scotland. As from 17 October 2007 The Royal Bank of Scotland Group plc is the ultimate parent company of ABN AMRO Holding N.V.

Holding's consolidated financial statements include condensed financial information with respect to ABN AMRO Bank N.V., which itself had total assets of €1,025 billion as of 31 December 2007.

Following the completion of the acquisition, RBS, Fortis and Santander have worked closely with the management of ABN AMRO to verify and expand the information received from, and assumptions made on the basis of, the limited due diligence access granted to them before announcement of the offers.

In December 2007, the Consortium Banks agreed and validated a base-line plan for achieving synergies and for separating and transferring the ABN AMRO businesses to the respective banks. The businesses to be acquired by each of the Consortium Banks and in which each have an interest through their share holdings in RFS Holdings B.V. equal to their funding requirements, are:

RBS: Business Unit North America, Business Unit Global Clients (excluding Latin America) and Dutch wholesale clients and wholesale clients in Latin America (excluding Brazil), Business Unit Asia (excluding interest in Saudi Hollandi Bank) and Business Unit Europe (excluding Antonveneta).

Fortis: Business Unit Netherlands (excluding former Dutch wholesale clients), Business Unit Private Clients (excluding Latin America) and Business Unit Asset Management. The European Commission

has cleared the acquisition of certain businesses of ABN AMRO by Fortis, on the condition that certain specified businesses were divested. The businesses identified for disposal are the Hollandsche Bank Unie N.V., 13 advisory branches and two Corporate Client Departments as well as the sale of the Dutch factoring company IFN Finance B.V. Fortis can only acquire control over ABN AMRO's Business Unit Netherlands and Business Unit Private Clients after divesting these assets to a suitable purchaser.

Santander: Business Unit Latin America (excluding wholesale clients outside Brazil), Antonveneta, Asset Management Antonveneta and Private Clients business in Latin America. On 8 November 2007 Santander announced it had reached an agreement with Banco Monte dei Paschi di Siena with respect to the sale of Antonveneta.

Furthermore the Consortium Banks participate proportionally to their funding commitment in the shared assets which include: central functions including Head Office functions, the private equity portfolio, ABN AMRO Group's investment in Saudi Hollandi Bank, the central investment portfolio and debt issuances. During the reorganisation, the Consortium Banks will retain a shared economic interest in all central functions (including Head Office functions) that provide support to the ABN AMRO businesses. The non-core assets are expected to be disposed of over a period of time with a view to maximising their value.

This transition plan forms the basis for continued consultation with employee representative bodies and regulators. The plan for separating and transferring the ABN AMRO businesses to the Consortium Banks was submitted to the Dutch Central Bank and Central Works Council for review in mid December and was neutrally advised by the Central Works Council on 14 February 2008 and approved by the Dutch Central Bank on 10 March 2008. Now that the approvals have been received, the implementation of the plan can begin.

Different parts of ABN AMRO will separate and integrate at different times. The precise timing of the separation of the businesses will depend on a range of factors, including the complexity of the separation task. For more complex separation processes, where the businesses are closely interlinked with the ABN AMRO Group systems and platforms, (such as within the BU Netherlands), separation and integration is expected to take some time; in contrast other less complicated separations will move relatively quickly. In each case the pace of the separation process will aim to accommodate the need for clarity among employees while also maintaining the appropriate level of service to ABN AMRO's clients.

The Consortium Banks are in the process of agreeing on the ownership of the debt issued and/or guaranteed by ABN AMRO. Upon the organized at of this agreement, the impact, if any, on the debt issuances will be communicated.

The following organized ratio structure was adopted in January 2006. This structure was used by the Consortium Banks to divide the activities amongst each other:

Holding's Group structure comprises:

- seven client Bus
- three global product Bus
- two cross-BU segments
- Group Functions
- Services

The seven client Bus consist of five regional Bus (The Netherlands, Europe North America, Latin America and Asia) and two global client Bus, Private Clients and Global Clients. BU Global Clients overlaps the regional Bus in the segment reporting adopted in 2007.

The three global product Bus (Global Markets, Transaction Banking and Asset Management) support the client Bus by developing and delivering products for all of ABN AMRO's clients globally.

The Commercial Client Segment encompasses all of ABN AMRO's commercial clients. The Commercial Client Segment coordinates activities across the Client and Product Bus, sharing best practice and the overall strategic framework supporting this essential component of the Bank's portfolio.

Group Functions delivers support across the Group in areas ranging from Risk to Finance and from Human Resources to Sustainability.

Services focuses on increasing its operational efficiency through Group-wide consolidation and organization.

As from 2008, ABN AMRO will be organized into three units each containing the businesses that will ultimately be transferred to the respective Consortium Banks. A fourth unit will include central functions including the Head Office functions and businesses which are regarded as non-strategic.

The long-term, unsecured, unsubordinated and unguaranteed debt obligations of ABN AMRO Bank, N.V. are currently rated "AA-" by S&P, "Aa2" by Moody's Investors Service Inc. and "AA-" by Fitch. The short-term, unsecured, unsubordinated and unguaranteed debt obligations of ABN AMRO Bank, N.V. are currently rated "A-1+" by S&P, "P-1" by Moody's and "F1+" by Fitch.

Any press releases issued by ABN AMRO can be obtained from the ABN AMRO website at <http://www.abnamro.com/pressroom>.

The delivery of this Prospectus does not at any time imply that there has been no change in the affairs of the Issuer since the date of this Prospectus. The Issuer does not intend to provide any post-issuance information.



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## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

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This Prospectus may contain forward-looking statements. Forward-looking statements are statements that are not historical facts, including statements about the Issuer's beliefs and expectations. Any statement in this Prospectus that expresses or implies the Issuer's intentions, beliefs, expectations or predictions (and the assumptions underlying them) is a forward-looking statement. These statements are based on plans, estimates and projections, as they are currently available to the management of the Issuer. Forward-looking statements therefore speak only as of the date they are made, and the Issuer takes no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. A number of important factors could therefore cause actual future results to differ materially from those expressed or implied in any forward-looking statement. Such factors include, without limitation, the conditions of the financial markets in Europe, the United States and elsewhere from which the Issuer derives a substantial portion of its trading revenues; potential defaults of borrowers or trading counterparties; the reliability of the Issuer's risk management policies, procedures and methods; and other risks referenced in the Issuer's filings with the US Securities and Exchange Commission and/or with the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the "AFM"). For more information on these and other factors, please refer to the Issuer's Annual Report on Form 20-F filed with the US Securities and Exchange Commission and/or the Registration Document filed with the AFM and to any subsequent reports furnished or filed by the Issuer with the US Securities and Exchange Commission and/or the AFM.

The forward-looking statements contained in this Prospectus are made as of the date hereof, and the Issuer assumes no obligation to update any of the forward-looking statements contained in this announcement.

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#### DOCUMENT INCORPORATED BY REFERENCE

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The Registration Document is prepared in accordance with Article 5(3) of the Prospectus Directive was published prior to the date of this Prospectus, has been approved by the AFM in its capacity as competent authority under the Financial Supervision Act (*Wet op het financieel toezicht*) and shall be incorporated in, and form part of, this Prospectus, save that any statement contained in any document deemed to be incorporated in, and to form part of this Prospectus shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement subsequently incorporated by reference into this Prospectus differs from such earlier statement in a manner which modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Copies of the Registration Document can be obtained from the registered office of the Issuer at Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands and on [www.abnamro.com](http://www.abnamro.com).

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### **PERSONS RESPONSIBLE**

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ABN AMRO Bank N.V., acting through its London Branch accepts responsibility for the information contained in this document. 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 document is in accordance with the facts and does not omit anything likely to affect the import of such information.

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### **THIRD PARTY INFORMATION**

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Where information has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

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### **USE OF ISSUE PROCEEDS**

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The gross proceeds of the issue of the Securities will be used by the Issuer for general corporate purposes.

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### **US PERSONS**

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The Securities may not be legally or beneficially owned by US Persons at any time. Each Holder and each beneficial owner of a Security hereby represents, as a condition to purchasing or owning the Securities or any beneficial interest therein, that neither it nor any person for whose account or benefit the Securities are being purchased is located in the United States, is a US Person or was solicited to purchase or did purchase the Securities while present in the United States. Each Holder and each beneficial owner of a Security hereby agrees not to offer, sell or deliver any of the Securities, at any time, directly or indirectly in the US or to any US Person. The term “US Person” will have the meaning ascribed to it in both Regulation S under the Securities Act and the Internal Revenue Code.

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## **EU SAVINGS DIRECTIVE**

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Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required, from 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35%. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

Also with effect from 1 July 2005, a number of non-EU countries, and certain dependent or associated territories of certain Member States, have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

Holders who are collecting income from the Securities outside the tax jurisdiction of their residence, should seek advice on how the local implementation of the Directive in both the place where the income is collected and their place of residence, affects the taxation of the income, as well as their overall tax position.

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## SUMMARY OF PROVISIONS RELATING TO THE SECURITIES IN GLOBAL FORM

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The Securities are in the form of the Global Note which was deposited on or around the Issue Date with a common depositary for Euroclear. The Global Note will become exchangeable in whole, but not in part, for Securities in definitive form (“**Definitive Securities**”) in the denomination of EUR 1,000 at the request of the bearer of the Global Note (acting on the instructions of a Holder in the case of (a) below, or on the instructions of the Issuer in the case of (b) below) against presentation and surrender of the Global Note to the Principal Agent if any of the following events (each, an “**Exchange Event**”) occurs: (a) Euroclear is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or (b) a change occurs in the practice of Euroclear as a result of which the Issuer would suffer a disadvantage which would not be suffered if the Securities were in definitive form. Whenever the Global Note is to be exchanged for Definitive Securities, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Securities, duly authenticated in an aggregate principal amount equal to the principal amount of the Global Note outstanding at such time to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note at the specified office of the Principal Agent within 30 days of the occurrence of the relevant Exchange Event.

If:

- a) Definitive Securities have not been delivered by 17:00 hours (London time) on the forty-fifth day after the bearer has duly requested exchange of the Global Note for Definitive Securities; or
- b) the Global Note (or any part of it) has become due and payable in accordance with the Conditions or the date for final redemption of the Securities has occurred and, in either case, payment in full of the amount of principal falling due has not been made to the bearer in accordance with the terms of the Global Note on the due date for payment,

then the Global Note (including the obligation to deliver Definitive Securities) will become void at 17:00 hours (London time) on such forty-fifth day (in the case of (a) above) or at 17:00 hours (London time) on such due date (in the case of (b) above) and the bearer of the Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Global Note or others may have under an instrument dated on or about the Issue Date (the “**Instrument**”) executed by the Issuer). Under the Instrument, persons shown in the records of Euroclear as being entitled to an interest in the Global Note will acquire directly against the Issuer all those rights to which they would

have been entitled if, immediately before the Global Note became void, they had been the holders of Definitive Securities in an aggregate principal amount equal to the principal amount of Securities they were shown as holding in the records of Euroclear.

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## TAXATION

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***Potential purchasers who are in any doubt about their tax position on purchase, ownership or transfer of the Securities should consult their professional tax advisers.***

### 2. GENERAL

Purchasers of the Securities may be required to pay stamp taxes and other charges in accordance with the laws of practices of the country of purchase in addition to the issue or purchase price of each Security.

The Issuer shall not be liable for or otherwise obliged to pay any tax, duty or other payment which may arise as a result of the ownership or transfer of the Securities.

### 2. THE NETHERLANDS

The following paragraph, which is intended as a general guide only, is based on current law and practice in The Netherlands. It summarises certain aspects of taxation in The Netherlands only which may be applicable to the Securities but do not purport to be a comprehensive description of all tax considerations which may be of relevance.

All payments by the Issuer in respect of the Securities will be made free of withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein, unless such withholding is, in the future, required by law.

### 2. LUXEMBOURG

The following paragraph, which is intended as a general guide only, is based on current law and practice in Luxembourg. It summarises a certain aspect of taxation in Luxembourg only which may be applicable to the Securities but does not purport to be a comprehensive description of all tax considerations which may be of relevance.

Under Luxembourg general tax laws currently in force and subject to the Luxembourg laws of 21 June 2005 and 23 December 2005, there will be no Luxembourg withholding tax on payments of principal, premium or interest made to the Holders of the Securities, nor on accrued but unpaid interest in respect of the Securities, nor there will be any Luxembourg withholding tax payable upon redemption or repurchase of the Securities. However, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner who is resident of

Luxembourg will be subject to a Luxembourg withholding tax of 10%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Securities coming within the scope of the tax law of 23 December 2005 would be subject to withholding tax of 10%.



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## SELLING RESTRICTIONS

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*The statements which follow are of a general nature. Potential purchasers must ensure that they are able validly to take delivery of the Securities and any assets into which they may convert or be settled. Additional certifications may be required by the Issuer and/or any clearance system at the time of exercise and/or settlement.*

### 2. GENERAL

No action has been or will be taken by the Issuer that would permit a public offering of the Securities or possession or distribution of any offering material in relation to the Securities in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of any Securities, or distribution of any offering material relating to the Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligation on the Issuer.

In addition, these Securities may not be offered or sold (i) to any person/entity listed on sanctions lists of the European Union, United States or any other applicable local competent authority; (ii) within the territory of Cuba, Sudan, Iran and Myanmar; (iii) to residents in Cuba, Sudan, Iran or Myanmar; (iv) to Cuban Nationals, wherever located.

### 2. THE NETHERLANDS

Securities which qualify as savings certificates as defined in the Savings Securities Act (*Wet inzake spaarbewijzen*) may only be transferred or accepted through the mediation of either the Issuer or an admitted institution of Euronext Amsterdam N.V. with due observance of the Savings Securities Act and its implementing regulations (including registration requirements), provided that no mediation is required in respect of:

- (a) the initial issue of those Securities to the first holders thereof;
- (b) any transfer and delivery by individuals who do not act in the conduct of a profession or trade; and
- (c) the issue and trading of those Securities, if they are physically issued outside The Netherlands and are not distributed in The Netherlands in the course of primary trading or immediately thereafter.

### 3. 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**"), the Issuer represents and agrees 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 Securities 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 Securities to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Securities to the public**" in relation to any Securities 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 Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

#### 4. UNITED STATES OF AMERICA

The Securities have not been and will not be registered under the Securities Act or any other US or non-US securities laws, and trading in the Securities has not been and will not be approved by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act, as amended. The Securities may not at any time be offered, sold, delivered, traded or exercised, directly or indirectly, in the United States or to, or for the account or benefit of, a US person and a US person may not, at any time, directly or indirectly, maintain a position in the Securities. Offers, sales, trading or deliveries of the Securities in the United States or to, or for the account or benefit of, US persons may constitute a violation of the United States laws governing securities and commodities trading.

Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Issuer will not offer, sell or deliver the Securities at any time within the United States or to, or for the account or benefit of, any US person, and it will require all those dealers participating in the distribution of the Securities not to offer, sell, deliver or trade, at any time, directly or indirectly, any Securities in the United States or to, for the account or benefit of, any US person. In addition, the Issuer will send to each dealer to which it sells Securities at any time a confirmation or other notice setting forth the restrictions on offers, sales and deliveries of the Securities in the United States or to, or for the account or benefit of, US persons. As used in this and the above paragraph "**United States**" means the United States of America, its territories or possessions, any state of the United States, the District of Columbia or any other enclave of the United States government, its agencies or instrumentalities, and "**US person**" means:

- (a) any person who is a US person as defined in Regulation S under the Securities Act;
- (b) any person or entity other than one of the following:
  - (1) a natural person who is not a resident of the United States;
  - (2) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a jurisdiction other than the United States and which has its principal place of business in a jurisdiction other than the United States;
  - (3) any estate of which any executor or administrator is a US person, providing a non US person has sole or shared investment discretion with respect to the assets of the estate, and the estate is governed by non US law;
  - (4) any trust of which any trustee is a US person, providing a trustee who is not a US person has sole or shares investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US person; or
  - (5) any employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country.

## 5. UNITED KINGDOM

The Issuer represents, warrants and agrees that 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 (the "**FSMA**")) received by it in connection with the issue or sale of any Securities in circumstances in which section 21(1) of the FSMA would

not, if the Issuer was not an authorised person, apply to the Issuer and it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

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## GENERAL INFORMATION

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### **Authorisation**

The Issuer's managing board, in its capacity as the Issuer's representative, is responsible for issuing debt instruments. The Issuer's managing board has delegated the issue of debt instruments, including the Securities to Group Asset and Liability Committee pursuant to a resolution dated 17 December 2003. In addition, the issue of the Securities has been approved by the Issuer's supervisory board pursuant to a resolution dated 16 January 2008 and in accordance with the Issuer's articles of association. 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 the Securities.

### **Description of the Securities**

The Securities are exchangeable securities which provide the Holders an Optional Exchange Right to exchange the Securities for the Cash Amount 2 prior to the Valuation Date. The Securities bear interest at 0.5 per cent. per annum until the earlier of the Maturity Date or the cancellation or redemption of the Securities pursuant to an Optional Exchange Right or otherwise. The conditions applicable to the Securities are contained in the General Conditions and the Product Conditions.

### **Documents available**

For so long as the Securities remain outstanding, copies of the following documents will, when published, be available, free of charge, from the registered office of the Issuer and from the specified office of the Paying Agent:

- a) an English translation of the Deed of Incorporation and the most recent Articles of Association of the Issuer;
- b) the audited financial statements of Holding for the financial years ended 2006 and 2007 (in English), in each case together with any audit reports prepared in connection therewith;
- c) a copy of the Registration Document; and
- d) a copy of this Prospectus.

### **Notices**

All notices to the Holders will be delivered to Euroclear or Clearstream. Any such announcement issued to Euroclear or Clearstream shall be deemed to be effective on the day following its delivery to the clearing agent (and, if delivered to more than one clearing agent, on the date first delivered to a clearing agent).

### **Clearing and settlement systems**

The Securities have been accepted for clearance through Euroclear and Clearstream. The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The International Securities Identification Number of the Securities is XS0247050643 and the Common Code is 24705064. Transfers of the Securities may, only be effected within the relevant Clearing System in accordance with the rules and procedures of the Clearing Systems. Transactions will normally be effected for settlement not earlier than three days after the date of the transaction.

### **Material change**

There has been no material adverse change in the financial position or prospects of Holding and its consolidated subsidiaries or ABN AMRO Bank N.V. and its consolidated subsidiaries since 31 December 2007 other than resulting from the acquisition of ABN AMRO Holding N.V. by the Consortium Banks and the transition of entities and businesses resulting from this.

### **Litigation**

In several jurisdictions legal proceedings have been initiated against Holding or its group companies whose financial statements have been included in Holding's consolidated annual accounts for the financial year ended 31 December 2007.

### **Auditors**

The auditors of Holding are Ernst & Young Accountants, registered accountants, of Drentestraat 20, 1083 HK Amsterdam, The Netherlands, who have audited Holding's accounts, without qualification, in accordance with generally accepted auditing standards in The Netherlands for each of the three financial years ended 31 December 2007. The auditors of Holding have no material interest in Holding.

The reports of the auditors of Holding are incorporated in the form and context in which they are incorporated, with the consent of the auditors who have authorised the contents of that part of this Prospectus.

Ernst & Young Accountants (of which the "*Registeraccountants*" are members of the "*Koninklijke Nederlands Instituut voor Register Accountants*" (NIVRA)), is a member of the International Federation of Accountants (IFAC).

### **Securities held in global form**

The Securities will initially be held by or on behalf of the clearing systems specified in the Product Conditions (the "**relevant clearing systems**") in the form of a global security which will be exchangeable for definitive Securities only in the event of the closure of all relevant clearing systems. For as long as any Securities are represented by a global security held on behalf of one or more

relevant clearing systems, payments of principal, interest (if any) and any other amounts on a global security will be made through the relevant clearing systems against presentation or surrender (as the case may be) of the relevant global security. The bearer of the relevant global security shall be treated by the Issuer and any Paying Agent as the sole holder of the relevant Securities represented by such global security with respect to the payment of principal, interest (if any) and any other amounts payable in respect of the Securities or any securities deliverable in respect of the Securities.

Securities which are represented by a global Security will be transferable only in accordance with the rules and procedures for the time being of the relevant clearing systems.

#### **Information on the offering of the Securities**

The Securities were issued on 16 March 2006. As the Securities were issued in global form, all trades will be settled in the applicable clearing systems on their usual basis for secondary market transactions. Other than the issue price of the Securities, each prospective investor in the Securities shall not be required to pay any expenses to the Issuer in order to purchase the Securities.

#### **Listing and Admission to Trading**

Application will be made to Luxembourg Stock Exchange for the Securities to be admitted to trading and to be listed on the regulated market of Luxembourg Stock Exchange.

#### **Information on the Shares**

Information about the past and future performance of the Shares and their volatility can be obtained from Bloomberg page MC FP.

#### **Calculation Agent**

The Calculation Agent is ABN AMRO Bank N.V., acting through its London Branch of 250 Bishopsgate, London, EC2M 4AA.

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## CONDITIONS: GENERAL CONDITIONS

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*The General Conditions which follow relate to the Securities and must be read in conjunction with, and are subject to, the Product Conditions (whether or not attached to this document). The Product Conditions and the General Conditions together constitute the Conditions of the Securities and will be printed on the Definitive Securities or attached to the Global Security representing the Securities.*

1. DEFINITIONS

Terms in capitals which are not defined in these General Conditions shall have the meanings ascribed to them in the Product Conditions.

2. STATUS

The Securities constitute unsecured and unsubordinated obligations of the Issuer and rank *pari passu* 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.

3. EARLY TERMINATION

The Issuer shall have the right to terminate the Securities if it shall have determined in its absolute discretion that for reasons beyond its control its performance thereunder shall have become unlawful in whole or in part as a result of compliance in good faith by the Issuer with any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative, legislative or judicial authority or power ("**Applicable Law**"). In such circumstances the Issuer will, however, if and to the extent permitted by the Applicable Law, pay to each Holder in respect of each Security held by such Holder an amount calculated by it as the fair market value of the Security immediately prior to such termination (ignoring such illegality) less the cost to the Issuer of unwinding any related hedging arrangements. Payment will be made to the Holder in such manner as shall be notified to the Holder in accordance with General Condition 4.

4. NOTICES

- (a) Validity. Unless otherwise specified in an Offering Supplement, announcements to Holders will be valid if delivered to the Clearing Agent(s).



- (b) Delivery. Any such announcement issued pursuant to General Condition 4(a) shall be deemed to be effective on the day following its delivery to the Clearing Agent (and if delivered to more than one Clearing Agent on the date first delivered to a Clearing Agent) or, if published as specified in the relevant Offering Supplement on the date of such publication (and if published in more than one country then on the date first published).

5. HEDGING DISRUPTION

- (a) Notification. The Issuer shall as soon as reasonably practicable give instructions to the Calculation Agent to notify the Holders in accordance with General Condition 4(a): (i) if it determines that a Hedging Disruption Event has occurred; and (ii) of the consequence of such Hedging Disruption Event as determined by the Issuer pursuant to General Condition 5(c).
- (b) Hedging Disruption Event. A "**Hedging Disruption Event**" shall occur if the Issuer determines that it is or has become not reasonably practicable or it has otherwise become undesirable, for any reason, for the Issuer wholly or partially to establish, re-establish, substitute or maintain a relevant hedging transaction (a "**Relevant Hedging Transaction**") it deems necessary or desirable to hedge the Issuer's obligations in respect of the Securities. The reasons for such determination by the Issuer may include, but are not limited to, the following:
  - (i) any material illiquidity in the market for the relevant instruments (the "**Disrupted Instrument**") which from time to time are included in the reference asset to which the Securities relate; or
  - (ii) a change in any applicable law (including, without limitation, any tax law) or the promulgation of, or change in, the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law (including any action taken by a taxing authority); or
  - (iii) a material decline in the creditworthiness of a party with whom the Issuer has entered into any such Relevant Hedging Transaction; or
  - (iv) the general unavailability of: (A) market participants who will agree to enter into a Relevant Hedging Transaction; or (B) market participants who will so enter into a Relevant Hedging Transaction on commercially reasonable terms.

- (c) Consequences. The Issuer, in the event of a Hedging Disruption Event, may determine to:
- (i) terminate the Securities. In such circumstances the Issuer will, however, if and to the extent permitted by the Applicable Law, pay to each Holder in respect of each Security held by such Holder an amount calculated by it as the fair market value of the Security immediately prior to such termination less the cost to the Issuer of unwinding any related hedging arrangements. Where the Securities contain provisions which provide a minimum assured return of principal, howsoever expressed, on the Settlement Date or Maturity Date as applicable, or a minimum assured return of interest or coupons, howsoever expressed, on a relevant Interest Payment Date, any such amount to be paid under this General Condition shall not be less than the present value of such minimum assured return of principal and/or interest or coupons, such present value being determined by the Calculation Agent. Payment will be made to the Holder in such manner as shall be notified to the Holder in accordance with General Condition 4;
  - (ii) make an adjustment in good faith to the relevant reference asset by removing the Disrupted Instrument at its fair market value (which may be zero). Upon any such removal the Issuer may: (A) hold any notional proceeds (if any) arising as a consequence thereof and adjust the terms of payment and/or delivery in respect of the Securities; or (B) notionally reinvest such proceeds in other reference asset(s) if so permitted under the Conditions (including the reference asset(s) to which the Securities relate);
  - (iii) make any other adjustment to the Conditions as it considers appropriate in order to maintain the theoretical value of the Securities after adjusting for the relevant Hedging Disruption Event. Where the Securities contain provisions which provide a minimum assured return of principal, howsoever expressed, on the Settlement Date or Maturity Date as applicable, or a minimum assured return of interest or coupons, howsoever expressed, on a relevant Interest Payment Date, any such adjustment will in no way affect the Issuer's obligations to make payment to the Holders not less than the minimum assured return of principal and/or interest or coupons on the relevant Settlement Date or Maturity Date, or Interest Payment Date, as applicable.

6. PURCHASES, FURTHER ISSUES BY THE ISSUER AND PRESCRIPTION

- (a) Purchases. The Issuer or any Affiliate may, except under certain circumstances, purchase Securities at any price in the open market or by tender or private treaty. Any Securities so purchased may be held, surrendered for cancellation or reissued or resold, and Securities so reissued or resold shall for all purposes be deemed to form part of the original series of Securities.

In this General Condition 6(a) "**Affiliate**" means any entity controlled directly or indirectly, by the Issuer, any entity that controls, directly or indirectly, the Issuer, or any entity under common control with the Issuer. As used herein "**control**" means the ownership of a majority of the voting power of the entity and "**controlled by**" and "**controls**" shall be construed accordingly.

- (b) Further Issues. The Issuer shall be at liberty from time to time without the consent of the Holders or any of them to create and issue further securities so as to be consolidated with and form a single series with the Securities.
- (c) Prescription. Any Security or Coupon which is capable of presentation and is not so presented by its due date for presentation shall be void, and its value reduced to zero, if not so presented within five years of such due date. For the avoidance of doubt, any Securities which are subject to provisions relating to their exercise shall be void, and their value shall be zero, if not exercised in accordance with their provisions.

## 7. DETERMINATIONS AND MODIFICATIONS

- (a) Determinations. Any determination made by the Issuer shall (save in the case of manifest error) be final, conclusive and binding on the Holders.
- (b) Modifications. The Issuer may without the consent of the Holders or any of them, modify any provision of the Conditions which is: (i) of a formal, minor or technical nature; (ii) made to correct a manifest error; or (iii) in its absolute discretion, not materially prejudicial to the interests of the Holders. Notice of any such modification will be given to the Holders in accordance with General Condition 4 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

## 8. SUBSTITUTION

- (a) Substitution of Issuer. The Issuer may at any time, without the consent of the Holders substitute for itself as principal obligor under the Securities any company (the "**Substitute**"), being any subsidiary or affiliate of the Issuer, subject to: (i) the obligation of the Substitute under the Securities being guaranteed by ABN AMRO

Holding N.V. ("**Holding**") (unless Holding is the Substitute); (ii) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Securities represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and being in full force and effect; and (iii) the Issuer having given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with General Condition 4. In the event of any substitution of the Issuer, any reference in the Conditions to the Issuer shall from such time be construed as a reference to the Substitute.

- (b) Substitution of Office. The Issuer shall have the right upon notice to the Holders in accordance with General Condition 4 to change the office through which it is acting and shall specify the date of such change in such notice.

#### 9. TAXATION

The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other similar payment which may arise as a result of the ownership, transfer or exercise of any Securities. In relation to each Security the relevant Holder shall pay all Expenses as provided in the Product Conditions. All payments or, as the case may be, deliveries in respect of the Securities will be subject in all cases to all applicable fiscal and other laws and regulations (including, where applicable, laws requiring the deduction or withholding for, or on account of, any tax duty or other charge whatsoever). The Holder shall be liable for and/or pay, any tax, duty or charge in connection with, the ownership of and/or any transfer, payment or delivery in respect of the Securities held by such Holder. The Issuer shall have the right, but shall not be obliged, to withhold or deduct from any amount payable such amount, as shall be necessary to account for or to pay any such tax, duty, charge, withholding or other payment. Each Holder shall indemnify the Issuer against any loss, cost or other liability whatsoever sustained or incurred by the Issuer in respect of any such tax, duty, charge, withholding or other payment as referred to above in respect of the Securities of such Holder.

#### 10. REPLACEMENT OF SECURITIES AND COUPONS

If any Security or Coupon is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Principal Agent (or such other place of which notice shall have been given to Holders in accordance with General Condition 4) upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Securities and Coupons must be surrendered before replacements will be issued.

#### 11. ADJUSTMENTS FOR EUROPEAN MONETARY UNION

- (a) Redenomination. The Issuer may, without the consent of any Holder, on giving notice to the Holders in accordance with General Condition 4 elect that, with effect from the Adjustment Date specified in such notice, certain terms of the Securities shall be redenominated in euro. The election will have effect as follows:
- (i) where the Settlement Currency is the National Currency Unit of a country which is participating in the third stage of European Economic and Monetary Union pursuant to the Treaty, whether as from 1999 or after such date, such Settlement Currency shall be deemed to be an amount of euro converted from the original Settlement Currency into euro at the Established Rate, subject to such provisions (if any) as to rounding as the Issuer may decide and as may be specified in the notice, and after the Adjustment Date, all payments in respect of the Securities will be made solely in euro as though references in the Securities to the Settlement Currency were to euro;
  - (ii) where the Conditions contain a rate of exchange or any of the Conditions are expressed in a currency (the "**Original Currency**") of a country which is participating in the third stage of European Economic and Monetary Union pursuant to the Treaty, whether as from 1999 or after such date, such rate of exchange and/or any other terms of the Conditions shall be deemed to be expressed in or, in the case of a rate of exchange, converted for or, as the case may be into, euro at the Established Rate; and
  - (iii) such other changes shall be made to the Conditions as the Issuer may decide to conform them to conventions then applicable to instruments expressed in euro.
- (b) Adjustment to Conditions. The Issuer may, without the consent of the Holders, on giving notice to the Holders in accordance with General Condition 4 make such adjustments to the Conditions as the Issuer may determine to be appropriate to account for the effect of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Conditions.
- (c) Euro Conversion Costs. Notwithstanding General Condition 11(a) and/or General Condition 11(b), none of the Issuer, the Calculation Agent nor any Agent shall be liable to any Holder or other person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of euro or any currency conversion or rounding effected in connection therewith.
- (d) Definitions Relating to European Economic and Monetary Union. In this General Condition, the following expressions have the meanings set out below.

**"Adjustment Date"** means a date specified by the Issuer in the notice given to the Holders pursuant to this Condition which falls, if the currency is that of a country not initially participating in the third stage of European Economic and Monetary Union pursuant to the Treaty, on or after such later date as such country does so participate;

**"Established Rate"** means the rate for the conversion of the Original Currency (including compliance with rules relating to rounding in accordance with applicable European community regulations) into euro established by the Council of the European Union pursuant to the first sentence of Article 123(4), formerly 109 L (4) of the Treaty;

**"National Currency Unit"** means the unit of the currency of a country as those units are defined on the day before the start of the third stage of European Economic and Monetary Union pursuant to the Treaty or, in connection with the expansion of such third stage, to any country which has not initially participated in such third stage; and

**"Treaty"** means the treaty establishing the European Community.

## 12. AGENTS

- (a) **Principal Agent and Agents.** The Issuer reserves the right at any time to vary or terminate the appointment of any agent (the "**Agent**") and to appoint further or additional Agents, provided that no termination of appointment of the principal agent (the "**Principal Agent**") shall become effective until a replacement Principal Agent shall have been appointed and provided that, if and to the extent that any of the Securities are listed on any stock exchange or publicly offered in any jurisdiction, there shall be an Agent having a specified office in each country required by the rules and regulation of each such stock exchange and each such jurisdiction and provided further that, if and to the extent that any of the Securities are in registered form, there shall be a Registrar and a Transfer Agent (which may be the Registrar), if so specified in the relevant Product Conditions. Notice of any appointment, or termination of appointment, or any change in the specified office, of any Agent will be given to Holders in accordance with General Condition 4. Each Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders or any of them. Any calculations or determinations in respect of the Securities made by an Agent shall (save in the case of manifest error) be final, conclusive and binding on the Holders.
- (b) **Calculation Agent.** The Issuer shall undertake the duties of calculation agent (the "**Calculation Agent**") which expression shall include any successor Calculation

Agent) in respect of the Securities unless the Issuer decides to appoint a successor Calculation Agent in accordance with the provisions below.

The Issuer reserves the right at any time to appoint another institution as the Calculation Agent provided that no termination of appointment of the existing Calculation Agent shall become effective until a replacement Calculation Agent shall have been appointed. Notice of any termination or appointment will be given to the Holders in accordance with General Condition 4.

The Calculation Agent (except where it is the Issuer) acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. Where the Issuer acts in the capacity of the Calculation Agent it does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. In any event, any calculations or determinations in respect of the Securities made by the Calculation Agent (whether or not the Issuer) shall (save in the case of manifest error) be final, conclusive and binding on the Holders.

The Calculation Agent (except where it is the Issuer) may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate. Where the Calculation Agent is the Issuer it may delegate any of its obligations and functions to a third party as it deems appropriate.

13. SURRENDER OF UNMATURED COUPONS

Each Security should be presented for redemption, where applicable, together with all unmatured Coupons relating to it. Upon the due date for redemption of any Security, where applicable, all unmatured Coupons relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

14. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any Condition. The preceding sentence shall not affect any right or remedy of any person which exists or is available apart from that Act.

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**CONDITIONS: PRODUCT CONDITIONS**  
**RELATING TO SINGLE STOCK EXCHANGEABLE SECURITIES**

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*The Product Conditions which follow relate to the Securities and must be read in conjunction with, and are subject to, the General Conditions (whether or not attached to this document). The Product Conditions and the General Conditions together constitute the Conditions of the Securities and will be printed on the Definitive Securities or attached to the Global Security representing the Securities.*

1. DEFINITIONS

"**Agent**" means ABN AMRO Bank N.V., London branch, 250 Bishopsgate, London EC2M 4AA, United Kingdom as principal agent (the "**Principal Agent**") acting through its specified office and together the "**Agents**", which expression shall include any other Agent appointed pursuant to the provisions of General Condition 12;

"**Business Day**" means (i) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London and a day on which each Clearing Agent is open for business and (ii) a day on which the Exchange is open for business;

"**Cash Amount 1**" means an amount in the Settlement Currency determined by the Calculation Agent in accordance with the following formula:

$$\text{Nominal Amount} \times 100\%;$$

"**Cash Amount 2**" means an amount in the Settlement Currency determined by the Calculation Agent in accordance with the following formula:

$$\text{Execution Price} \times \text{Share Entitlement};$$

"**Clearing Agent**" means Euroclear Bank S.A. and Clearstream Banking S.A. and such further or alternative clearing agent(s) or clearance system(s) as may be approved by the Issuer from time to time and notified to the Holders in accordance with General Condition 4 (each a "**Clearing Agent**" and together the "**Clearing Agents**");

"**Exchange**" means the exchange or quotation system on which the Shares are listed or any successor to such exchange or quotation system;

"**Exchange Date**" means the date falling five (5) Trading Days after the Notice Date, unless, in the determination of the Calculation Agent, a Market Disruption Event has occurred on that day in which



case, the Exchange Date shall be the first succeeding Trading Day on which the Calculation Agent determines that there is no Market Disruption Event, unless the Calculation Agent determines that there is a Market Disruption Event occurring on each of the five Trading Days immediately following the original date which (but for the Market Disruption Event) would have been an Exchange Date. In that case the Calculation Agent may extend the Exchange Date in its reasonable discretion with regard to the Issuer's disposal of its hedge in respect of the Securities;

**"Exchange Period"** means the period commencing on (but excluding) the Issue Date to (and excluding) the Valuation Date;

**"Execution Period"** means the date commencing on the relevant Notice Date, and ending on the relevant Exchange Date;

**"Execution Price"** means the price per Share, as calculated by the Calculation Agent, on the basis of the average actual price at which the Issuer can execute and sell on the Exchange the Shares it holds for its hedge in respect of these Securities, on each Trading Day during the Exchange Period;

**"Expenses"** means all taxes, duties, and/or expenses, including all applicable depositary, transaction or exercise charges, stamp duties, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties, arising in connection with (i) the exercise of such Security and/or (ii) any payment or delivery due following exercise or otherwise in respect of such Security;

**"Form"** means Global;

**"Interest Amount"** means, in respect of each Interest Period and each Nominal Amount, an amount calculated by the Calculation Agent as follows:

$$\text{Nominal Amount} \times \text{Interest Rate} \times \text{Interest Day Count Fraction};$$

**"Interest Payment Dates"** means 16 March 2007, 16 March 2008, and 16 March 2009, subject to the Product Condition 3;

**"Interest Period"** means the period commencing on (and including) the Issue Date to (but excluding) the first Interest Payment Date and each period commencing on (and including) an Interest Payment Date to (but excluding) the next following Interest Payment Date. In respect of each Security, the Interest Period during which a Notice is delivered and each subsequent Interest Period shall be disregarded for this purpose;

**"Interest Rate"** means 0.5% per annum;

**"Interest Rate Day Count Fraction"** means that interest shall be calculated on the basis of the actual number of days in the relevant period divided by 365 save that for a portion which any such period falls in a leap year, the number of days in such portion shall be divided by 366;

**"Issue Date"** means 16 March 2006;

**"Issuer"** means ABN AMRO Bank N.V. incorporated in The Netherlands with its statutory seat in Amsterdam acting through its principal office or its branch in London or such further or other branches as it may specify from time to time;

**"Market Disruption Event"** means each event specified as such in Product Condition 4;

**"Maturity Date"** means 16 March 2009;

**"Nominal Amount"** means EUR 1,000;

**"Notice Date"** means a date of valid delivery of the Notice pursuant to the Optional Exchange Right;

**"Optional Exchange Right"** means the right of the Holder to exchange any Security, in whole but not in part, for the Cash Amount 2 in accordance with Product Condition 3;

**"Payment Day"** means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the relevant place of presentation of the Securities; and either (i) if the Settlement Currency is not euro, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of such currency (if other than the place of presentation of such Security); or (ii) if the Settlement Currency is euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open;

**"Related Exchange"** means an options or futures exchange or quotation system on which options contracts or futures contracts or other derivatives contracts on the Share are traded;

**"Securities"** means the EUR 35,000,000 exchangeable securities relating to the Share (ISIN: XS0247050643; Common Code: 24705064) and each a **"Security"**; references to the terms **"Securities"** or **"Security"** shall be construed severally with respect to each Series;

**"Settlement Currency"** means EUR;

**"Settlement Date"** means the Maturity Date, or in respect of a Security which is subject to a valid Optional Exchange Right, five Business Days following the Exchange Date;

**"Share"** means ordinary shares of the Share Company (ISIN: FR0000121014; Bloomberg code: MC FP), subject to Product Condition 4;

**"Share Company"** means LVMH Moët Hennessy Louis Vuitton SA, subject to Product Condition 4;

**"Share Entitlement"** means for each Nominal Amount, 9.6942 Shares;

**"Trading Day"** means any day that is (or but for the occurrence of a Market Disruption Event, would have been) a trading day on each Exchange or Related Exchange other than a day on which trading on the Exchange or Related Exchange is scheduled to close prior to its regular weekday closing time; and

**"Valuation Date"** means the date falling fifteen (15) Trading Days prior to the Maturity Date.

Terms in capitals which are not defined in these Product Conditions shall have the meanings ascribed to them in the General Conditions.

## 2. FORM

The Securities will be issued in bearer form in the denomination of the Nominal Amount (if any) or in units. If the Form is expressed to be Definitive then, the Securities shall be serially numbered and produced on security printed paper in definitive form and shall be transferred by delivery only. Definitives may (as such terms are defined in the Product Conditions) have attached to them Coupons. Only the holder (the **"Holder"**) of a Security shall be recognised by the Issuer and each Agent as the person entitled in all respects thereto. If the Form is expressed to be Global then the Securities will be represented by a global security (the **"Global Security"**) which will be deposited with the Clearing Agent and will be transferable only in accordance with the applicable law and the rules and procedures of the relevant Clearing Agent through whose systems the Securities are transferred. Each person (other than another Clearing Agent) who is for the time being shown in the records of the relevant Clearing Agent as the owner of a particular Nominal Amount or unit quantity (as the case may be) of the Securities (in which regard any certificate or other document issued by the relevant Clearing Agent as to the Nominal Amount or unit quantity of the Securities standing to the credit of the account of any person shall be conclusive and binding for all purposes except in the case of manifest error) shall be treated by the Issuer and each Agent as the holder of such Nominal Amount or unit quantity of the Securities (and the term **"Holder"** shall be construed accordingly) for all purposes, other than with respect to any payment and/or delivery obligations, the right to which shall be vested as regards the Issuer and the Agents, solely in the bearer of the Global Security.

## 3. RIGHTS AND PROCEDURES

- (a) Redemption on the Settlement Date. Subject to the Optional Exchange Right, and unless previously exchanged, redeemed or purchased and cancelled and subject as provided by the Conditions, each Security will be redeemed in respect of each Nominal Amount at the Cash Amount 1 such redemption to occur, subject as provided below, on the Settlement Date.
- (b) Interest Amount. In respect of each Interest Period, each Security shall bear interest at the Interest Rate. The Interest Amount is calculated by reference to the relevant

Interest Period, the Interest Rate, the Nominal Amount and the Interest Rate Day Count Fraction and is payable on the Interest Payment Dates.

- (c) **Interest Accrual.** Each Security shall cease to accrue interest from and including the earlier of the relevant Exchange Date or the Maturity Date. No interest shall accrue after the relevant Exchange Date in the event that payment of the Cash Amount 2 is postponed due to the occurrence of a Market Disruption Event. Further, no Interest Amount will be paid in respect of the Interest Period in which the relevant Exchange Date falls.
- (d) **Optional Exchange Right.** The Holder is entitled to exercise the Optional Exchange Right prior to the Valuation Date, by giving five (5) Trading Days notice before 12.00am (noon) (CET) on any Trading Day, by delivery of a valid Notice at the specified office of the Agents (provided that such Notice is received by the Issuer, at least five (5) Trading Days prior to the Valuation Date). Upon any such valid exchange, the right of the relevant Holder to receive the Cash Amount 1 shall be extinguished, and in consideration and exchange thereof the Holder, except as otherwise provided in these Conditions, shall receive the Cash Amount 2.
- (e) **Method of Payment.** Subject as provided below, where the Cash Amount 1, Cash Amount 2 or Interest Amount (together referred to as "**Payment Amount**") is in a currency other than euro, such payments will be made by an Agent on behalf of the Issuer in the Settlement Currency to an account (which, in the case of payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) specified by the payee with, or by a cheque in such Settlement Currency drawn on, a bank in the principal financial centre of the country of such Settlement Currency; where the Payment Amount is in euro, such payments will be made by an Agent on behalf of the Issuer by credit or transfer to a euro account or any account to which euro may be credited or transferred specified by the payee or, at the option of the payee, by a euro cheque. Provided that where the Securities are to be expressed in Global form, payments will be made via the Clearing Agent(s) and will be made in accordance with the rules of such Clearing Agent(s). All payments will be subject to applicable fiscal and legal requirements applicable thereto.
- (f) **Presentation and Surrender.** Payment of any Payment Amount will be made against surrender of the Security, (if Definitive) at the specified office of the Agent or Global Security (if Global) by or on behalf of the Holder at the specified office of the relevant Agent (in each case subject to any endorsement on the face of the Security or

Coupon as applicable). The Issuer shall record all payments made to the relevant Agent and such record shall be *prima facie* evidence that the payment in question has been made. The bearer of a Security shall be the only person entitled to receive payments of any Payment Amount and the Issuer will be discharged by payment to, or to the order of, the Holder in respect of the amount so paid. The bearer of a Security, or (in the case of a Global Security) each of the persons shown in the records of a Clearing Agent as the holder of a particular nominal amount or number of units of the Securities, must look solely to the relevant Agent or Clearing Agent, as the case may be, for his share of each such payment so made by the Issuer to or to the order of the bearer of the Security.

- (g) **Payment Day.** If the date for payment of any amount in respect of the Securities is not a Payment Day, the Holder shall not be entitled to payment until the next following Payment Day and shall not be entitled to any interest or other payment in respect of such delay.
- (h) **General.** In the absence of gross negligence or wilful misconduct on its part, none of the Issuer, the Calculation Agent, or any Agent shall have any responsibility for any errors or omissions in the calculation of any Payment Amount.
- (i) **Notice.** To exercise the Optional Exchange Right, the relevant Holder must deliver to the Agent (if the Securities are expressed to be in Definitive form) or the Clearing Agent (if the Securities are expressed to be in Global form) in each case with a copy to the Principal Agent a notice in the form obtainable from the Agents (the "**Notice**") not later than 12.00pm (noon) (CET) on any Trading Day during the Exchange Period. No Notice may be withdrawn after receipt of it by a Clearing Agent, Agent or Principal Agent. After delivery of a Notice, Securities which are the subject of such Notice may not be transferred.
- (j) **Notice.** All payments of the Cash Amount 2 shall be subject to the delivery of a duly completed notice (a "**Notice**") to a Clearing Agent with a copy to the Principal Agent. The form of the Notice may be obtained during normal business hours from the specified office of each Agent.

A Notice shall:

- (i) specify the number of Securities to which it relates;
- (ii) specify the number of the account with the Clearing Agent to be debited with the Securities to which it relates;

- (iii) irrevocably instruct and authorise the Clearing Agent to debit on or before the Settlement Date such account with such Securities;
  - (iv) specify the number of the account with the Clearing Agent to be credited with the Cash Amount 2 (if any) for such Securities;
  - (v) certify that neither the person delivering the Notice nor any person on whose behalf the Notice is being delivered is a U.S. person or a person within the United States. As used herein, "**U.S. person**" means (A) an individual who is a resident or a citizen of the United States; (B) a corporation, partnership or other entity organised in or under the laws of the United States or any political subdivision thereof or which has its principal place of business in the United States; (C) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (D) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust; (E) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (B) above; (F) any entity organised principally for passive investment, 10 per cent. or more of the beneficial interests in which are held by persons described in (A) to (E) above if such entity was formed principally for the purpose of investment by such persons in a commodity pool the operator of which is exempt from certain requirements of Part 4 of the United States Commodity Futures Trading Commission's regulations by virtue of its participants being non-U.S. persons; or (G) any other "U.S. person" as such term may be defined in Regulation S under the United States Securities Act of 1933, as amended, or in regulations adopted under the United States Commodity Exchange Act; and
  - (vi) authorise the production of such Notice in any applicable administrative or legal proceedings.
- (k) Late Delivery of Notice. Any Notice to exercise the Optional Exchange Right delivered after 12.00pm (noon) (CET) in the place of receipt on any Trading Day during the Exchange Period or on a day which is not a Trading Day, will be deemed exercised on the following Trading Day during the Exchange Period. Any Notice delivered outside the Exchange Period shall be null and void. For the avoidance of doubt, no holder of Securities or any other person shall be entitled to any payment,

whether of interest or otherwise, by reason of such Notice (or the copy thereof) being delivered late.

- (l) Verification. In respect of any Notice, the relevant Holder must provide evidence reasonably satisfactory to the Principal Agent of its holding of such Securities.
- (m) Determinations. Failure properly to complete and deliver a Notice may result in such Notice being treated as null and void. Any determination as to whether any such Notice has been properly completed and delivered shall be made by the Principal Agent and shall be conclusive and binding on the Issuer and the relevant Holder. Subject as set out below, any Notice so determined to be incomplete or not in proper form, or where applicable, which is not copied to the Principal Agent immediately after being delivered to a Clearing Agent as provided in the Conditions shall be void. If such Notice is subsequently corrected to the satisfaction of the Principal Agent it shall be deemed to be a new Notice submitted at the time such correction is delivered to such Clearing Agent and copied to the Principal Agent. The Principal Agent shall use its best efforts promptly to notify the Holder if it has determined that a Notice is incomplete or not in proper form. In the absence of gross negligence or wilful misconduct on its part, neither the Issuer nor the Principal Agent shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.
- (n) Settlement Risk. Settlement of the Securities is subject to all applicable laws, regulations and practices in force at the relevant time and neither the Issuer nor any Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated as a result of any such laws, regulations or practices. Neither the Issuer nor any Agent shall under any circumstances be liable for any acts or defaults of any Clearing Agent in relation to the performance of its duties in relation to the Securities.

#### 4. ADJUSTMENTS

- (a) Market Disruption. The Calculation Agent shall as soon as reasonably practicable under the circumstances notify the Holders in accordance with General Condition 4 if it determines that a Market Disruption Event has occurred.

**"Market Disruption Event"** means:

- (1) the occurrence or existence on any Trading Day during the one-half hour period that ends at the official close of trading on the Exchange or any Related Exchange of any suspension of or limitation imposed on trading in

(by reason of movements in price reaching or exceeding limits permitted by the relevant exchange or otherwise):

(A) the Shares on the Exchange or any other exchange on which the Shares are listed; or

(B) any options contracts or futures contracts or other derivatives contracts relating to the Share on any Related Exchange, if, in the determination of the Calculation Agent, such suspension or limitation is material; or

(2) a general moratorium is declared in respect of banking activities in the country in which the Exchange or any Related Exchange is located.

For the purposes of this definition, a limitation on the hours and number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the Exchange or any Related Exchange, but a limitation on trading imposed during the course of the day by reason of movements in price otherwise exceeding levels permitted by the Exchange or any Related Exchange may, if so determined by the Calculation Agent, constitute a Market Disruption Event.

(b) **Potential Adjustment Events.** Following a declaration by the Share Company of the terms of any Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Share and, if so, will:

(1) make the corresponding adjustment, if any, to any one or more of the Conditions as the Calculation Agent determines appropriate to account for that diluting or concentrative effect; and

(2) determine the effective date of that adjustment.

The Calculation Agent may, but need not, determine the adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange. Upon making any such adjustment, the Calculation Agent shall notify the Holders in accordance with General Condition 4, stating the adjustment to be made to the Conditions and giving brief details of the Potential Adjustment Event.

**"Potential Adjustment Event"** means any of the following: (A) a subdivision, consolidation or reclassification of relevant Shares (unless a Merger Event), or, a free distribution or dividend of such Shares to existing holders by way of bonus, capitalisation, recapitalisation or similar issue; (B) a distribution or dividend to



existing holders of the relevant Shares of (aa) such Shares, or (bb) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Company equally or proportionately with such payments to holders of such Shares, or (cc) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other) at less than the prevailing market price as determined by the Calculation Agent; (C) an extraordinary dividend; (D) a distribution of cash dividends on the Shares equal to or greater than 8 per cent. per annum of the then current market value of the Shares; (E) a call by the Share Company in respect of relevant Shares that are not fully paid; (F) a repurchase by the Share Company of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or (G) any other similar event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.

- (c) De-listing, Merger Event, Nationalisation and Insolvency. If a De-listing, Merger Event, Nationalisation or Insolvency occurs in relation to the Share Company, the Issuer in its sole and absolute discretion may take the action described in (1), (2) or (3) below:
- (1) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the other terms of these Conditions to account for the De-listing, Merger Event, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment. The Calculation Agent may (but is under no obligation to) determine the appropriate adjustment by reference to the adjustment in respect of the De-listing, Merger Event, Nationalisation or Insolvency made by any Related Exchange to options contracts or futures contracts or other derivatives contracts on the Shares traded on such Related Exchange; or
  - (2) cancel the Securities by giving notice to Holders in accordance with General Condition 4. If the Securities are to be cancelled the Issuer will pay an amount to each Holder in respect of each Security held by him which amount shall be the fair market value of a Security (taking into account the De-listing, Merger Event, Nationalisation or Insolvency (as the case may be)) on the day selected for cancellation as shall be selected by the Issuer in its sole and absolute discretion adjusted to account fully for any losses, expenses and costs to the Issuer and/or any affiliate of the Issuer of unwinding or adjusting any underlying or related hedging arrangements (including but not limited to

any equity options or selling or otherwise realising any Shares or other instruments of any type whatsoever which the Issuer and/or any of its affiliates may hold as part of such hedging arrangements), all as determined by the Calculation Agent in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Holders in accordance with General Condition 4; or

- (3) following any adjustment to the settlement of terms of options contracts or futures contracts or any other derivatives contracts on the Shares traded on any Related Exchange, require the Calculation Agent to make a corresponding adjustment to any of the other terms of these Conditions, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Related Exchange. If options contracts or futures contracts or other derivatives contracts on the Shares are not traded on the Related Exchange, the Calculation Agent will make such adjustment, if any, to any of the other terms of these Conditions as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Related Exchange to account for the De-listing, Merger Event, Nationalisation or Insolvency (as the case may be) that in the determination of the Calculation Agent would have given rise to an adjustment by the Related Exchange if such options contracts or futures contracts or other derivatives contracts were so traded.

Upon the occurrence of a De-listing, Merger Event, Nationalisation or Insolvency, the Calculation Agent shall notify the Holders in accordance with General Condition 4, stating the occurrence of such De-listing, Merger Event, Nationalisation or Insolvency (as the case may be) and action proposed to be taken in relation thereto.

**"De-listing"** means a Share for any reason ceases to be listed or is suspended from listing on the Exchange (and such cessation or suspension is continuing and such Share is not subsequently listed or quoted on another stock exchange or quotation system acceptable to the Issuer).

**"Merger Date"** means the date upon which all holders of the Shares of a Share Company (other than, in the case of a take-over offer, Shares owned or controlled by the offeror) have agreed or have irrevocably become obliged to transfer their Shares.

**"Merger Event"** means any (1) reclassification or change to the Shares of a Share Company that results in a transfer of or an irrevocable commitment to transfer all outstanding Shares of such Share Company; (2) consolidation, amalgamation or merger of a Share Company with or into another entity (other than a consolidation, amalgamation or merger in which such Share Company is the continuing entity and which does not result in any such reclassification or change to all the outstanding Shares of a Share Company); or (3) other take-over offer for the Shares of a Share Company that results in a transfer of or an irrevocable commitment to transfer the Shares of a Share Company (other than any such Shares owned or controlled by the offeror), in each case if the Merger Date is on or before the Determination Date.

**"Nationalisation"** means that all the Shares of a Share Company or all the assets or substantially all the assets of a Share Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

**"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy or insolvency of or any analogous proceeding affecting a Share Company, (1) all the Shares are required to be transferred to a receiver, trustee, liquidator or other similar official or (2) holders of the Shares of that Share Company become legally prohibited from transferring them.

(d) The Calculation Agent shall, as soon as practicable after receipt of any written request to do so, advise a Holder of any determination made by it pursuant to this Product Condition 4 on or before the date of receipt of such request. The Calculation Agent shall make available for inspection by Holders copies of any such determinations.

## 5. GOVERNING LAW

The Conditions pertaining to the Securities shall be governed by and shall be construed in accordance with English law.