

SECOND SUPPLEMENTAL

TO THE BASE PROSPECTUS DATED 19 OCTOBER 2017

DE VOLKSBANK N.V.

(incorporated under the laws of the Netherlands with limited liability and having its corporate seat in Utrecht, the Netherlands)

Under its Debt Issuance Programme (the “**Programme**”) de Volksbank N.V. (the “**Issuer**” or “**de Volksbank**”) may from time to time issue notes (the “**Notes**”) denominated in any currency agreed between the Issuer and the relevant Dealer, if any. This supplement (the “**Supplement**”) is based on Article 5:23 of the Dutch Financial Supervision Act (the “**DFSA**”) and prepared to update and amend the prospectus in relation to the Programme dated 19 October 2017 (the “**Base Prospectus**”) as updated and supplemented by the first supplement dated 5 April 2018 (the “**First Supplement**”) and is supplemental to, forms part of, and should be read in conjunction with the Base Prospectus.

Terms defined elsewhere in the Base Prospectus shall have the same meaning in this Supplement, unless specified otherwise.

This Supplement has been approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the “**AFM**”), which is the Netherlands competent authority for the purpose of Directive 2003/71/EC (the “**Prospectus Directive**” which term includes amendments thereto to the extent implemented in a relevant Member State of the European Economic Area) and relevant implementing measures in the Netherlands, as a supplemental prospectus issued in compliance with the Prospectus Directive, Commission Regulation EC No. 809/2004 (as amended) (the “**Prospectus Regulation**”, which term includes amendments thereto), for the purpose of giving information with regard to the issue of Notes under the Programme during the period of twelve months after the date of the Base Prospectus.

The AFM has been requested by the Issuer to provide the Luxembourg Commission de Surveillance du Secteur Financier (the “**CSSF**”) with a certificate of approval attesting that this Supplement has been drawn up in accordance with the Prospectus Directive.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons.

PROSPECTIVE INVESTORS SHOULD HAVE REGARD TO THE FACTORS DESCRIBED UNDER THE SECTION “RISK FACTORS” IN THE BASE PROSPECTUS.

This Supplement is supplemental to, forms part of, and should be read in conjunction and construed

together with the Base Prospectus including any documents incorporated by reference therein (the Base Prospectus and this Supplement in the form made available on the website of the Issuer at <https://www.devolksbank.nl/en/investor-relations/debt-information/unsecured-funding/medium-term-notes> contain hyperlinks to the documents incorporated by reference and may be obtained by contacting the Issuer by telephone (+31 30 291 42 46) or by email: jacob.bosscha@devolksbank.nl and kagan.koktas@devolksbank.nl), and in relation to any Tranche, the Base Prospectus and this Supplement should be read and construed together with the relevant Final Terms.

RESPONSIBILITY STATEMENT

de Volksbank accepts responsibility for the information contained in the Base Prospectus and this Supplement. de Volksbank declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Base Prospectus and this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

No representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the information contained in the Base Prospectus and this Supplement or any other information provided by the Issuer. The Dealers do not accept any liability in relation to the information contained in the Base Prospectus and this Supplement or any other information provided by the Issuer in connection with the Programme.

NOTICE

This Supplement should be read and understood in accordance with the Base Prospectus, any prior supplement hereto and with any other documents incorporated therein by reference. Full information on the Issuer and any Series or Tranche of Notes is only available on the basis of the combination of the Base Prospectus (as supplemented), this Supplement and the applicable Final Terms.

The Issuer has undertaken to the Dealers to furnish a supplement to the Base Prospectus in case of any significant new factor, material mistake or inaccuracy relating to the information contained in the Base Prospectus which is capable of affecting the assessment of the Notes and which arises or is noticed between the time when the Base Prospectus has been approved and the final closing of any Tranche of Notes offered to the public or, as the case may be, when trading of any Tranche of Notes on a regulated market begins, in respect of Notes issued on the basis of the Base Prospectus.

No person has been authorised to give any information or to make any representation not contained in or not consistent with the Base Prospectus and this Supplement, or supplement thereto, any document incorporated by reference herein, or the applicable Final Terms, or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any Dealer.

The Base Prospectus (as supplemented by this Supplement) is valid for 12 months following the date of the Base Prospectus and the Base Prospectus, the Supplement, any other supplement to the Base Prospectus as well as any Final Terms reflect the status as of their respective dates of issue. The delivery of the Base Prospectus (as supplemented by this Supplement) or any Final Terms and the offering, sale or delivery of any Notes shall not in any circumstances imply that the information contained in such documents is correct at any time subsequent to their respective dates of issue or that there has been no adverse change in the financial situation of the Issuer since such date or that any other information supplied in connection with the Programme or the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the time indicated in the document containing the same. The Arranger and any Dealer expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, inter alia, the most recent financial statements of the Issuer when deciding whether or not to purchase any Notes.

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

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

Prohibition of sales to EEA retail investors: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPS Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

MIFID II product governance / target market: The Final Terms in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

Neither the Base Prospectus and this Supplement nor any other information supplied in connection with the Programme should be considered as a recommendation by the Issuer, the Arranger or any Dealer that any recipient of the Base Prospectus and this Supplement or any other information supplied in connection with the Programme should purchase any Notes. Accordingly, no representation, warranty or undertaking, express or implied, is made by the Arranger or any Dealer in their capacity as such. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes (including an evaluation of the financial condition, creditworthiness and affairs of the Issuer) and the information contained or incorporated by reference in the Base Prospectus, this Supplement and the applicable Final Terms;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the

Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks (including, without limitation, those described in "Risk Factors" in the Base Prospectus).

Some Notes 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 Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The distribution of the Base Prospectus, this Supplement and any Final Terms and the offer or sale of Notes may be restricted by law in certain jurisdictions. Persons into whose possession the Base Prospectus, this Supplement or any Final Terms come must inform themselves about, and observe, any such restrictions. See "Subscription and Sale" in the Base Prospectus.

The Base Prospectus and this Supplement may only be used for the purpose for which it has been published.

The Base Prospectus, this Supplement and any Final Terms do not constitute an offer or an invitation to subscribe for or purchase any Notes.

The Base Prospectus, this Supplement and any Final Terms may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. None of the Issuer, the Arranger and the Dealers represent that the Base Prospectus, this Supplement may be lawfully distributed, or that Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or assume any responsibility for facilitating any such distribution or offering. In particular, further action may be required under the Programme which would permit a public offering of the Notes or distribution of this document in any jurisdiction where action for that purpose is required.

The Base Prospectus and this Supplement have been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in the Base Prospectus or this Supplement as completed by Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

All offers remain subject to restrictions set out in the section headed "Subscription and Sale" in the Base Prospectus. Neither the Issuer nor any Dealer have authorized, nor do they authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any statement incorporated by reference into the Base Prospectus or any prior supplement to the Base Prospectus, the statements under (a) above will prevail.

This supplement has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither de Volksbank N.V. nor Coöperatieve Rabobank U.A. ("**Rabobank**") nor any person who controls it nor any director, officer, employee nor agent of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the supplement distributed to you in electronic format and the hard copy version available to you on request from de Volksbank N.V. or Rabobank.

SUPPLEMENTAL INFORMATION

1. On page 54-55 under “**Board of Directors**” the text shall be replaced by the following text:

The Board of Directors consists of, and the principal activities outside de Volksbank of the members of the Board of Directors are as follows:

Mr. M.B.G.M. Oostendorp, Chief Executive Officer

Member of the Supervisory Board at Nederlandse Waterschapsbank N.V.

Member of the Advisory Board at Women in Financial Services (WIFS)

Member of the Board of the Dutch Banking Association

Mr. V.A. Baas, Chief Operations Officer

Member of the Board of the Dutch Payment Association

Mrs. A.T.J. van Melick, Chief Financial Officer

Member Regulatory Matters Committee of the Dutch Banking Association

Mr. J.R. Dijst, Chief Risk Officer

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Vacancy CCO

2. On page 55-56 under “**Supervisory Board**” the text shall be replaced by the following text:

The Supervisory Board consists of and the principal activities outside de Volksbank of the members of the Supervisory Board are as follows:

Mr. J.C.M. van Rutte, Chairman

Member Supervisory Board ORMIT Holding B.V.

Member Supervisory Board Bank Nederlandse Gemeenten N.V.

Member Supervisory Board PGGM N.V.

Member Supervisory Council Foundation Health Center Hoenderdaal

Member of the Board of ABN AMRO Foundation

Member of the Board of Stichting Administratiekantoor Aandelen KAS Bank

Mrs. S. Barendregt-Roojers

Expert Member Accounting Programme Erasmus University Rotterdam

Member Supervisory Board ASR Verzekeringen N.V.

Mr. J. van Lange

Member of the Board of NMB Bank in Tanzania / Chairman of the Audit, Risk and Compliance Committee

Member of the Board of Governors of Tilburg University / Chairman Audit Committee

Member of the Supervisory Board of Zuyderland Medisch Centrum / Chairman of the Audit Committee

Chairman of the Supervisory Board of the Central Bureau on Fundraising (CBF) (monitors fundraising by charities)

Chairman of the Catholic Higher Education Foundation

Member of the Investment Advisory Committee of DELA (insurance company)

Chairman of the Supervisory Board of Twice Eindhoven B.V.

Mrs. M.R. Milz

Member Supervisory Board of Handelsveem Beheer B.V.

Member of the Supervisory Board of Zuidema Beheer B.V.

Member of the Board of Stichting Parnassia

Member of the Supervisory Board of Stichting Nederlands Spoorwegmuseum

Member of the Board Stichting Arbo Unie

Vacancy

3. On page 56 under “**Audit Committee**” the text shall be replaced by the following text:

The audit committee of de Volksbank (the "Audit Committee") currently consists of two members (both members of the Supervisory Board) and there is a vacancy for a third member:

Mrs. S. Barendregt-Roojers, chairman

Mr. J. van Lange

Vacancy

4. On page 58, the tables with the ratings of de Volksbank shall be deleted and replaced with the following tables (reflecting the change from ‘Baa1’ with outlook ‘positive’ to ‘A3’ with outlook ‘stable’ by Moody’s for de Volksbank’s long-term credit rating):

| Long term credit ratings | S&P | Moody's | Fitch |
|--------------------------|---------------|-------------|-------------|
| de Volksbank | A- (positive) | A3 (stable) | A- (stable) |

| Short term credit ratings | S&P | Moody's | Fitch |
|---------------------------|-----|---------|-------|
| de Volksbank | A2 | Prime-2 | F2 |

5. On page 64 under “**Recent Developments**” the following wording shall be inserted directly following the last paragraph of “**Semi-annual results 2017 de Volksbank**”:

Changes to the Board of Directors

On 8 May 2018 The Supervisory Board of de Volksbank has announced its intention to appoint Marinka van der Meer as Chief Customer Office of de Volksbank as of 1 September 2018. The intended appointment is subject to supervisory approval. Marinka van der Meer succeeds Rob Langezaal, who stepped down from the Board of Directors on 1 January 2018. From 1 January 2018 to 1 September 2018 Ewoud Goudswaard temporarily observes this function.

Changes to the Supervisory Board

On 1 May 2018, de Volksbank announced that Jos van Lange has been appointed as a member of the Supervisory Board as well as member of the Audit Committee. Charlotte Insinger and Ludo Wijngaarden resigned as members of the Supervisory Board on 19 April 2018.

6. In "**Part 2: Form of Final Terms**", the following wording shall be inserted as the first paragraph of page 135:

MIFID II Product governance / Professional investors and eligible counterparties only target market:
Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Consider any negative target market]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.