

4 NOVEMBER 2014

SECOND SUPPLEMENT TO THE BASE PROSPECTUS DATED 7 MAY 2014



SNS BANK N.V.

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



SNS REAAL

SNS REAAL N.V.

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

Under their Debt Issuance Programme (the “**Programme**”), SNS Bank N.V. (an “**Issuer**” or “**SNS Bank**”) and SNS REAAL N.V. (an “**Issuer**” or “**SNS REAAL**” and together with SNS Bank the “**Issuers**”) may from time to time issue notes (the “**Notes**”) denominated in any currency agreed between the relevant Issuer and the relevant Dealer, if any. This second supplemental prospectus (the “**Second Supplemental Prospectus**”) is based on Article 5:23 of the Dutch Financial Supervision Act (the “**DFSA**”) and prepared in connection with the issue by the Issuers of Notes and is supplemental to, forms part of, and should be read in conjunction with the prospectus in relation to the Programme dated 7 May 2014, as further supplemented by a first supplemental prospectus dated 8 October 2014 (the “**Base Prospectus**”). The purpose of this Second Supplemental Prospectus is to incorporate by reference a press release published by SNS REAAL on 26 October 2014 regarding the asset quality review and the stress tests performed by the European Central Bank; SNS Bank meets the capital thresholds set out by the EU-wide stress test.

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

This Second Supplemental Prospectus has been approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the “**AFM**”), which is the Netherlands competent authority for the purpose of Directive 2003/71/EC (the “**Prospectus Directive**” which term includes amendments thereto, including Directive 2010/73/EU 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**”) and relevant implementing measures in the Netherlands for the purpose of giving information with regard to the issue of Notes under the Programme.

The AFM has been requested by the Issuers to provide the Luxembourg Commission de Surveillance du Secteur Financier (the “**CSSF**”) with a certificate of approval attesting that this Second Supplemental Prospectus has been drawn up in accordance with the Prospectus Directive and the Prospectus Regulation so that the Notes issued under the Programme may be listed on NYSE Euronext in Amsterdam (“**Euronext Amsterdam**”), the regulated market of Euronext Amsterdam N.V. and the Official List of the Luxembourg Stock Exchange (the “**Luxembourg Stock Exchange**”). Each Issuer may also issue unlisted Notes under the Programme.

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 US 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 HEADED “RISK FACTORS” IN THE BASE PROSPECTUS.

This Second Supplemental Prospectus 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, (which can be found on <http://www.snsreaal.nl/investors/debt-information/funding-programmes.html> and may be obtained by contacting the Issuers by telephone (+31 30 291 42 46) or by email: investorrelations@snsreaal.nl), and in relation to any Tranche, the Base Prospectus and this Second Supplemental Prospectus should be read and construed together with the relevant Final Terms.

IMPORTANT NOTICES

SNS Bank accepts responsibility for the information contained in the Base Prospectus and this Second Supplemental Prospectus. SNS Bank declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Base Prospectus and this Second Supplemental Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. SNS REAAL accepts responsibility for the information contained in the Base Prospectus and this Second Supplemental Prospectus. SNS REAAL declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Base Prospectus and this Second Supplemental Prospectus 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 Second Supplemental Prospectus or any other information provided by the Issuers. The Dealers do not accept any liability in relation to the information contained in the Base Prospectus and this Second Supplemental Prospectus or any other information provided by the Issuers in connection with the Programme.

The Base Prospectus and this Second Supplemental Prospectus should be read and understood in accordance with any amendment or supplement thereto and with any other documents incorporated therein by reference. Full information on the Issuers and any Series or Tranche of Notes is only available on the basis of the combination of the Base Prospectus, this Second Supplemental Prospectus and the applicable Final Terms.

No person has been authorised to give any information or to make any representation not contained in or not consistent with the Base Prospectus or this Second Supplemental Prospectus, any amendment or supplement thereto, any document incorporated by reference therein, 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 Issuers, the Arranger or any Dealer.

The Base Prospectus (as supplemented by this Second Supplemental Prospectus) is valid for 12 months following the date of the Base Prospectus and the Base Prospectus, this Second Supplemental Prospectus, 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 Second Supplemental Prospectus) 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 Issuers 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 Issuers during

the life of the Programme. Investors should review, inter alia, the most recent financial statements of the Issuers 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.

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.

Neither the Base Prospectus and this Second Supplemental Prospectus nor any other information supplied in connection with the Programme should be considered as a recommendation by the Issuers, the Arranger or any Dealer that any recipient of the Base Prospectus and this Second Supplemental Prospectus 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 relevant Issuer) and the information contained or incorporated by reference in the Base Prospectus, this Second Supplemental Prospectus, the applicable Final Terms and any further supplements to the Base Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the 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 Second Supplemental Prospectus 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 Second Supplemental Prospectus 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 Second Supplemental Prospectus may only be used for the purpose for which it has been published.

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

The Base Prospectus, this Second Supplemental Prospectus 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 Issuers, the Arranger and the Dealers represent that the Base Prospectus and this Second Supplemental Prospectus 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 Second Supplemental Prospectus have been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, 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 Second Supplemental Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so:

- (i) 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; or
- (ii) if a prospectus for such offer 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 and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by Final Terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State, such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or Final Terms and the Issuer has consented in writing to its use for the purpose of such offer.

To the extent sub-paragraph (i) or (ii) apply, all offers remain subject to restrictions set out in the section headed “Subscription and Sale” in the Base Prospectus. Except to the extent sub-paragraph (ii) above may apply, neither the Issuers 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 Issuers or any Dealer to publish or supplement a prospectus for such offer.

SUPPLEMENTAL INFORMATION

- On page 89 of the Base Prospectus under the chapter “**Documents incorporated by reference**” reference should also be made to a press release published by SNS REAAL on 26 October 2014 regarding the asset quality review and the stress tests performed by the European Central Bank; SNS Bank meets the capital thresholds set out by the EU-wide stress test.

The press release referred to above as filed with the AFM shall be deemed to be incorporated in, and to form part of, the Base Prospectus.

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

Save as disclosed in this Second Supplemental Prospectus, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

Save as disclosed under “Legal Proceedings” on pages 59-60 of the Base Prospectus, there have not been any governmental, legal and arbitration proceedings (including any such proceedings which are pending or threatened of which SNS REAAL or SNS Bank is aware) in the 12 months preceding the date of the Base Prospectus which may have, or have had in such period a significant effect on the financial position or profitability of SNS REAAL or SNS Bank.

There has been no significant change in the financial or trading position of SNS REAAL and its subsidiaries other than at SNS Bank, due to the transfer of SNS Bank’s former segment Property Finance (as further described under the heading “Company Structure and Profile” in the Base Prospectus) since 30 June 2014 and there has been no material adverse change in the prospects of SNS REAAL since 31 December 2013, the last day of the financial period in

respect of which audited financial statements of SNS REAAL have been prepared.

There has been no significant change in the financial or trading position of SNS Bank and its subsidiaries other than due to the transfer of its former segment Property Finance (as further described under the heading “Company Structure and Profile” in the Base Prospectus) since 30 June 2014 and there has been no material adverse change in the prospects of SNS Bank since 31 December 2013, the last day of the financial period in respect of which audited financial statements of SNS Bank have been prepared.