

**BASE PROSPECTUS DATED 10 JULY 2019**



**AEGON N.V.**

*(incorporated with limited liability in The Netherlands  
and having its corporate seat in The Hague)*

and

**AEGON FUNDING COMPANY LLC**

*(organised under the laws of the State of Delaware, USA,  
and having its corporate seat in Wilmington, Delaware)*

guaranteed by

**AEGON N.V.**

*(incorporated with limited liability in The Netherlands  
and having its corporate seat in The Hague)*

**Programme for the  
Issuance of Debt Instruments**

Under this Programme for the Issuance of Debt Instruments (the **Programme**), each of Aegon N.V. (**Aegon** and, together with its consolidated subsidiaries, **Aegon Group**) and Aegon Funding Company LLC (**AFC** and each an **Issuer** and together the **Issuers**) may from time to time issue Notes (**Notes**, which expression shall include Senior Notes and Subordinated Notes (each as defined in "*Terms and Conditions of the Notes*")) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below). Subordinated Notes will have a minimum denomination of at least EUR 100,000 (or its equivalent in any other currency).

Notes issued by AFC will have the benefit of a guarantee by Aegon in its capacity as guarantor (the **Guarantor**).

The maximum aggregate nominal amount of all instruments from time to time outstanding under the Programme will not exceed US\$ 6,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "*Summary of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the **relevant Dealer** shall, in the case of an issue of Dealers being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

**An investment in the Notes issued under the Programme involves certain risks.** For a discussion of these risks see "*Risk Factors*".

The Authority for the Financial Markets (*Autoriteit Financiële Markten*, the **AFM**), in its capacity as competent authority under the Dutch Act on financial supervision (*Wet op het financieel toezicht*, the **Wft**), has approved this Base Prospectus pursuant to Chapter 5 of the Wft.

Application has been made to Euronext Amsterdam N.V. (**Euronext Amsterdam**) to allow Notes issued under the Programme, during the period of 12 months from the date of this Base Prospectus, to be admitted to trading and to be listed on Euronext in Amsterdam.

References in this Base Prospectus to Notes being **listed** (and all related references) shall mean that such Notes have been admitted to trading and listing on Euronext in Amsterdam. Euronext in Amsterdam is a regulated market for the purposes of Directive 2014/65/EU (as amended, **MiFID II**).

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under "*Terms and Conditions of the Notes*") of Notes will be set out in a final terms document (the **Final Terms**) which, with respect to Notes to be listed on Euronext in Amsterdam will be filed with the AFM and Euronext Amsterdam on or before the date of issue of the Notes of such Tranche.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the relevant Issuer and the relevant Dealer. The Issuers may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Issuers may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a supplemental Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to the relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009 (the **CRA Regulation**) will be disclosed in the Final Terms.

Amounts payable on Notes with a floating rate of interest may be calculated by reference to LIBOR or EURIBOR as specified in the relevant Final Terms. As at the date of this Base Prospectus, the administrator of LIBOR, ICE Benchmark Administration (**IBA**), and the administrator of EURIBOR, the European Money Markets Institute (**EMMI**), are included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the **Benchmark Regulation**).

*Arranger for the Programme*

**MORGAN STANLEY**

*Dealers*

**BARCLAYS**

**BNP PARIBAS**

**BOFA MERRILL LYNCH**

**CITIGROUP**

**DEUTSCHE BANK**

**HSBC**

**ING**

**J.P. MORGAN**

**MORGAN STANLEY**

**NATWEST MARKETS**

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## SUMMARY OF THE PROGRAMME

*The summary set out below complies with the requirements of Directive 2003/71/EC (as amended or superseded, the **Prospectus Directive**) and Commission Regulation No 809/2004 implementing the Prospectus Directive (the **PD Regulation**), including the contents requirements set out in Annex XXII of the PD Regulation. These requirements apply to Senior Notes with a denomination of less than €100,000 (or its equivalent in any other currency) and the summary set out below is addressed to potential investors in such Senior Notes. The PD Regulation specifies a mandatory order for the sections and elements set out below and the use of the designation "Not Applicable" for any element specified below where either no relevant information falls to be disclosed or the requirement is not applicable for any reason. The titles set out in each of sections B through E below are themselves summaries of the requirements set out in Annex XXII of the PD Regulation. This summary has been prepared on the basis that only Annexes IV, V and VI of the PD Regulation are applicable to issues of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) under the Programme and, as a result, the elements referred to below are deliberately not consecutively numbered.*

### Section A – Introduction and warnings

Element	
<b>A.1</b>	<ul style="list-style-type: none"> <li>• <b>This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms.</b></li> <li>• <b>Any decision to invest in any Notes should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms.</b></li> <li>• <b>Where a claim relating to information contained in the Base Prospectus and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated.</b></li> <li>• <b>Civil liability attaches to the Issuers solely on the basis of this summary, including any translation of it, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus and the applicable Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not provide, when read together with the other parts of this Base Prospectus and the applicable Final Terms, key information in order to aid investors when considering whether to invest in the Notes.</b></li> </ul>
<b>A.2</b>	<p>Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a <b>Non-exempt Offer</b>.</p> <p><i><b>Issue specific summary:</b></i></p> <p>[Consent: Subject to the conditions set out below, the Issuer consents to the use of this Base Prospectus in connection with a Non-exempt Offer of Notes by the Managers[, [names of specific financial intermediaries listed in final terms,] [and] [each financial intermediary whose name is published on the Issuer's website</p>

	<p>(<a href="http://www.aegon.com/en/Home/Investors/Managing-capital/Debt-Programs/">http://www.aegon.com/en/Home/Investors/Managing-capital/Debt-Programs/</a>) and identified as an Offeror in respect of the relevant Non-exempt Offer] [and any financial intermediary which is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2014/65/EU) and publishes on its website the following statement (with the information in square brackets being completed with the relevant information):</p> <p><i>"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the <b>Notes</b>) described in the Final Terms dated [insert date] (the <b>Final Terms</b>) published by [Aegon N.V./Aegon Funding Company LLC] (the <b>Issuer</b>). We hereby accept the offer by the Issuer of its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in accordance with and subject to the conditions to such consent, each as specified in the Base Prospectus, and we are using the Base Prospectus accordingly."</i></p> <p>(each such financial intermediary an <b>Offeror</b>).</p> <p><i>Offer period:</i> The Issuer's consent referred to above is given for Non-exempt Offers of Notes during [offer period for the issue to be specified here] (the <b>Offer Period</b>).</p> <p><i>Conditions to consent:</i> The conditions to the Issuer's consent [(in addition to the conditions referred to above)] are that such consent (a) is only valid during the Offer Period; (b) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Notes in [specify each Relevant Member State in which the particular Tranche of Notes can be offered] and (c) [specify any other conditions applicable to the Non-exempt Offer of the particular Tranche, as set out in the Final Terms].</p> <p><b>IN THE EVENT THAT AN INVESTOR INTENDS TO ACQUIRE OR IS ACQUIRING ANY NOTES IN A PUBLIC OFFER FROM AN OFFEROR OTHER THAN THE ISSUER OR ANY DEALER IT WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NONE OF THE ISSUER OR ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.]</b></p>
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#### Section B – Issuer and Guarantor

Element	Title	
<b>B.1</b>	Legal and commercial name of the Issuers	<p>Aegon N.V. and Aegon Funding Company LLC (together the <b>Issuers</b>, and each an <b>Issuer</b>)</p> <p><i>Issue specific summary:</i></p> <p>[Aegon N.V./Aegon Funding Company LLC] (the <b>Issuer</b>)</p>

<b>B.2</b>	Domicile/ legal form/ legislation/ country of incorporation	<p>Aegon N.V. (<b>Aegon</b>), is domiciled in the Netherlands, is a public limited liability company organized and operating under Dutch law.</p> <p>Aegon Funding Company LLC (<b>AFC</b>) operates under the laws of the State of Delaware and was organised on 21 May 1999 under the laws of the State of Delaware as Aegon Funding Corporation.</p>
<b>B.3</b>	Nature of Issuers' current operations/principal activities	<p>Aegon N.V. is a holding company. In addition to life insurance, pensions and asset management, Aegon Group is also active in accident and health cover, savings, mortgages and home and car insurance. Aegon N.V.'s operations are conducted through its operating subsidiaries.</p> <p>Aegon operates in over 20 countries in the Americas, Europe and Asia, and serves millions of customers. Aegon's main global brands are Aegon and Transamerica, together with Aegon Asset Management, Blue Square Re, and Transamerica Ventures. Its main markets are the United States, the Netherlands and the United Kingdom.</p> <p>AFC is an indirect wholly owned subsidiary of Aegon N.V. AFC is a direct wholly owned subsidiary of Transamerica Corporation and has no subsidiaries of its own. AFC was established as a financing vehicle to be used to raise funds for the U.S. subsidiaries of Aegon N.V.</p>
<b>B.4a</b>	Trend information	<p><b><i>Development of global financial markets</i></b></p> <p>Global financial markets have been driven by accommodative monetary policies implemented by central banks globally. Central bank liquidity injected into capital markets has stabilized, and in selected asset classes inflated, asset prices. The US economy stood out as an economy that was on a steady growth path, resulting in a stable path of rate hikes by the Federal Reserve System (<b>FED</b>). However, a reduction in global economic growth, partially due to trade disputes, primarily between the US and its trade partners, has significantly reduced the stability of the US economic outlook. As a result the FED is now indicating readiness to return to an accommodative monetary stance. Over the past several years, the Dutch, European and global economies have taken steps to recover from the financial crisis. Significant actions by governments, including bail-outs of financial institutions, as well as volatile markets, interest rates and credit spreads and significant changes in asset valuations (including material write-offs and write-downs of impaired assets) have all affected the business of financial institutions, including Aegon. The</p>

		<p>European Central Bank (ECB) has implemented negative deposit rates and an asset purchase programme to counter the risk of deflation. With Eurozone growth still at subdued levels, the ECB is now indicating willingness and ability to adopt an even more accommodative policy.</p> <p><b><i>Development of supervision and regulation</i></b></p> <p>The European Commission's Solvency II directive became effective on 1 January 2016. It imposes, among other things, substantially greater quantitative and qualitative capital requirements on some of Aegon's businesses and at Aegon Group level, as well as supervisory and disclosure requirements, and may impact the structure, business strategies, and profitability of Aegon's insurance subsidiaries and of Aegon Group. In the life sector, global industry profitability could improve in 2018, albeit only modestly. The improvement would be mainly a result of recent management actions which steered insurance portfolios towards less capital intensive business lines and investment portfolios towards riskier but higher-yielding asset classes. For the asset management industry, 2018 might bring higher financial market volatility due to the geopolitical uncertainty.</p> <p>[The National Association of Insurance Commissioners' (NAIC) model regulation, 'Valuation of Life Insurance Policies', (commonly known as Regulation XXX), requires insurers in the United States to establish additional statutory reserves for term life insurance policies with long-term premium guarantees. In addition, Actuarial Guideline XXXVIII, (commonly known as AG38), which is intended to clarify the regulation on valuation of life insurance Regulation XXX policies, requires insurers to establish additional statutory reserves for certain universal life insurance policies with secondary guarantees. Virtually all of Aegon's newly issued term and universal life insurance products in the United States are affected by Regulation XXX and AG38, respectively.</p> <p>Aegon's regulated businesses, such as insurance, pensions, banking and asset management, are subject to comprehensive regulation and supervision. The primary purpose of such regulation is to protect clients (i.e. policyholders), not holders of securities issued by Aegon or AFC.</p>
<b>B.5</b>	Description of the Group	<p>Aegon is a holding company. Aegon's businesses and operations are conducted through operating subsidiaries. AFC is an indirect wholly owned subsidiary of Aegon. AFC is a direct wholly owned subsidiary of Transamerica Corporation and has no subsidiaries of its own.</p>
<b>B.6</b>	Significant interests/control	<p>Vereniging Aegon holds 32.6% of Aegon's issued share</p>

		<p>capital and a maximum 32.6% of voting rights. With regard to the latter, Vereniging Aegon holds approximately 14.3% of the voting rights in normal circumstances. Reference is made to Aegon N.V.'s Annual Report 2018 on pages 334 through 336 for further details.</p> <p>To Aegon's knowledge based on the filings made with the AFM and the US Securities and Exchange Commission (SEC), Dodge &amp; Cox International Stock Fund, BlackRock, Inc. and Franklin Resources, Inc. each hold a capital or voting interest in Aegon of 3% or more.</p> <p>Based on its last filing with the AFM as at 20 June 2018, Dodge &amp; Cox International Stock Fund stated to hold 131,792,024 common shares, which represent 4.9% of the issued capital and votes as at 31 December 2018. On 14 February 2019, Dodge &amp; Cox's filing with the SEC shows that Dodge &amp; Cox holds 237,992,105 common shares, representing 8.9% of the issued and outstanding capital as at 31 December 2018, and has voting rights for 232,925,689 shares, representing 8.7% of the votes as at 31 December 2018.</p> <p>Based on its filing with the AFM as at 27 March 2018, BlackRock, Inc. stated to hold 112,661,670 shares, representing 4.2% of the issued capital as at 31 December 2018 and 131,979,873 voting rights, representing 4.9% of the votes as at 31 December 2018. On 4 February 2019, BlackRock, Inc.'s filing with the SEC shows that BlackRock holds 122,040,092 common shares, representing 4.6% of the issued capital as at 31 December 2018, and has voting rights for 106,522,921 shares, representing 4.0% of the votes as at 31 December 2018.</p> <p>Based on its filing with the AFM as at 10 June 2015, Franklin Resources, Inc. (FRI), a US based investment management firm, stated to hold 81,510,408 shares, representing 3.0% of the issued capital and of the votes as of 31 December 2018. On 25 January 2019, the filing of FRI with the SEC shows that FRI holds 61,141,668 common shares and voting rights, representing 2.3% of the issued and outstanding capital, as of 31 December 2018.</p> <p>Reference is made to Aegon's Annual Report 2018 on page 336 for further details.</p> <p>AFC is a direct wholly owned subsidiary of Transamerica Corporation.</p>
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<b>B.7</b>	<p><b>Selected historical key financial information:</b></p> <p><i>Income Statement</i></p> <p>The table below sets out summary information extracted from Aegon's audited income</p>
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statement and notes to the consolidated financial statements for each of the two years ended 31 December 2018 and 31 December 2017:

	<b>As of and for the year ended 31 December</b>	
	<b>2018</b>	<b>2017</b>
	<b>(in millions EUR, except per share amounts)</b>	
Amounts based upon International Financial Reporting Standards ( <b>IFRS</b> )		
Premium income	19,316	22,826
Investment income	7,035	7,338
Fees and commission income	2,558	2,802
Other revenues	5	7
<b>Total revenues</b>	<b>28,914</b>	<b>32,973</b>
Income before tax	782	2,393
Net income	744	2,361
Earnings and dividend per share		
Basic earnings per common share	0.31	1.08
Basic earnings per common share B	0.01	0.03
Diluted earnings per common share	0.31	1.08
Diluted earnings per common share B	0.01	0.03
Dividend per common share	0.29	0.27
	<b>(in thousands)</b>	
<b>Number of common shares:</b>		
Balance at 1 January	2,095,648	2,074,549
Issuances	-	-
Shares withdrawn	-	-
Dividends	-	21,099
Balance at end of period	2,095,648	2,095,648
<b>Number of common shares B:</b>		
Balance at 1 January	585,022	585,022
Issuances	-	-
Stock dividends	-	-
Share withdrawal	-	-
Balance at end of period	585,022	585,022

### ***Statement of Financial Position***

The table below sets out summary information extracted from the Issuer's audited statement of financial position as at 31 December 2018 and 31 December 2017:

		As of and for the year ended 31 December	
		2018	2017
		(in millions EUR)	
<b>Consolidated statement of financial position information:</b>			
Amounts based upon IFRS			
Investments		333,377	331,235
Derivatives		7,615	5,912
Investments in joint ventures/associates		2,072	2,020
Other assets		49,967	57,124
<b>Total assets</b>		<b>393,031</b>	<b>396,291</b>
Insurance and investment contracts		330,552	324,363
Trust pass-through securities and subordinated borrowings (1)		1,522	897
Derivatives		7,230	7,130
Borrowings		12,061	13,635
Other liabilities		18,781	25,879
<b>Total liabilities</b>		<b>370,146</b>	<b>371,904</b>
Shareholders' equity		19,543	20,573
Other equity instruments		3,320	3,794
Non-controlling interests		22	20
<b>Group equity</b>		<b>22,885</b>	<b>24,386</b>

(1) Excludes bank overdrafts.

**Statements of no significant or material adverse change**

There has been no material adverse change in the prospects of Aegon Group since the last published audited financial statements of 31 December 2018.

Furthermore there has been no significant change in the financial or trading position of the Aegon Group since the last published audited financial statements of 31 December 2018.

<b>B.8</b>	Pro-forma financial information	Not applicable. There is no pro forma information.
<b>B.9</b>	Profit forecast or estimate	Not Applicable. There is no profit forecast or estimate.
<b>B.10</b>	Audit report qualifications	Not Applicable. There are no qualifications in the audit report on the historical financial information.
<b>B.13</b>	Events impacting the Issuers' solvency	Not Applicable. There are no recent events particular to the Issuers which are to a material extent relevant to the evaluation of the Issuers' solvency.
<b>B.14</b>	Dependence upon other	Aegon is a holding company. Aegon's businesses and

	group entities	operation are conducted through operating subsidiaries.
<b>B.17</b>	Solicited credit ratings	<p>One or more independent credit rating agencies may assign credit ratings to the Notes as specified in the applicable Final Terms. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p> <p><b>Issue specific summary:</b></p> <p>[The Notes [have been/are expected to be] rated [<i>specify rating(s) of Tranche being issued</i>] by [<i>specify rating agent(s)</i>].]</p> <p>[Not Applicable - No ratings have been assigned to the Notes at the request of or with the co-operation of the Issuer in the rating process.]</p>
<b>B.18</b>	Description of the Guarantee	<p>If AFC issues any Notes, Aegon will fully and unconditionally guarantee the due and punctual payment of the principal of, any premium and any interest on those Notes, when and as these payments become due and payable, whether at maturity, upon redemption or declaration of acceleration, or otherwise. Notes issued under the Base Prospectus dated 10 July 2019 by AFC, are the subject of a guarantee dated 2 September 2008, (as amended, supplemented or replaced from time to time, the <b>Guarantee</b>), entered into by Aegon as guarantor.</p>
<b>B.19</b>	Information about the Guarantor	<p>Because Aegon is both an Issuer and a Guarantor under this Programme, refer to the information relating to Aegon as set out in Elements B.2 to B. 17 above.</p>

### Section C – Securities

Element	Title	
<b>C.1</b>	Description of the Notes/ISIN	<p>The Notes described in this section are debt securities with a denomination of less than €100,000 (or its equivalent in any other currency).</p> <p>The International Securities Identification Number (<b>ISIN</b>) uniquely identifies each Series of Notes.</p> <p><b>Issue specific summary:</b></p> <p>The Notes are [£/€/U.S.\$/other] ● [● per cent./Floating Rate/Fixed Reset] [Guaranteed] Notes due ●.</p> <p>International Securities Identification Number (<b>ISIN</b>): ●</p>
<b>C.2</b>	Currency	<p>The currency of each Series of Notes issued will be agreed between the Issuer and the relevant Dealer at the time of</p>

		<p>issue.</p> <p><b><i>Issue specific summary:</i></b></p> <p>The currency of this Series of Notes is [Pounds Sterling (£)/Euro (€)/U.S. dollars (U.S.\$)/Other (●)].</p>
<b>C.3</b>	Number of shares/par value	<p>Aegon's total authorized share capital consists of 9,000,000,000 common shares, consisting of 6,000,000,000 common shares with a par value EUR 0.12 per share, and 3,000,000,000 common shares B, also with a par value EUR 0.12 per share. As of December, 31 2018, a total of 2,095,648,244 common shares and 585,022,160 common shares B had been issued and fully paid.</p> <p>AFC has issued one thousand four hundred seventy (1,470) shares with a par value of one cent (U.S. \$0.01) per Share.</p>
<b>C.5</b>	Transferability	The Notes are freely transferrable.
<b>C.7</b>	Dividend policy	All shares have dividend rights except for those shares (if any) held by Aegon as treasury stock. Dividends which have not been claimed within five years lapse to Aegon.
<b>C.8</b>	Conditions of the Notes	<p>The Notes issued under the Programme will have terms and conditions relating to, among other matters:</p> <p><b><i>Status</i></b></p> <p>The Notes may be issued on a senior basis and such Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of each Issuer's negative pledge below) unsecured obligations of the relevant Issuer and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the relevant Issuer, from time to time outstanding.</p> <p><b><i>Issue specific summary:</i></b></p> <p>This Series of Notes is issued on a senior basis.</p> <p><b><i>Taxation</i></b></p> <p>All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by The Netherlands or the United States. In the event that any such deduction is made, the Issuer or the Guarantor (if payment is made under the Guarantee) will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.</p> <p><b><i>Negative pledge</i></b></p>

		<p>The terms of the Notes will contain a negative pledge provision which, subject to certain exceptions, prohibits each Issuer and the Guarantor from securing upon any of the present or future assets or revenues of each Issuer and the Guarantor or any of their Subsidiaries, unless they, simultaneously with or prior to the creation of such security, take any and all action necessary to procure that the same security (or other security acceptable to the Holders of Notes) is accorded to the Holders of Notes (other than Holders of Subordinated Notes).</p> <p><b><i>Meetings</i></b></p> <p>The conditions of the Notes will contain provisions for calling meetings of Holders of such Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Holders, including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority.</p> <p><b><i>Governing law</i></b></p> <p>Dutch law.</p>
C.9	Interest/Redemption	<p><b><i>Interest</i></b></p> <p>Notes may be interest-bearing or non-interest bearing. Interest-bearing Notes will either bear interest payable at a fixed rate, which may be subject to reset, or a floating rate. In each case, the interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer at the time of issue of the Notes, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms. In addition, the interest rate and yield in respect of Notes bearing interest at a fixed rate will also be so agreed, specified and summarised.</p> <p>Floating rates of interest will be calculated by reference to a reference rate (such as, but not limited to, LIBOR or EURIBOR). The reference rate and the manner in which the floating rate of interest will be calculated using the reference rate (including any margin over or below the reference rate) will be agreed between the Issuer and the relevant Dealer at the time of issue of the relevant Notes, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms.</p> <p>Notes which do not bear any interest will be offered and sold at a discount to their nominal amount. The terms applicable to each Series of such Notes will be agreed between the Issuer and the relevant Dealer at the time of issue of the relevant Notes, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed</p>

		<p>to the applicable Final Terms.</p> <p><b><i>Issue Specific Summary:</i></b></p> <p><b><i>Interest</i></b></p> <p>[The Notes bear interest at the fixed rate of ● per cent. per annum [<i>in case of Fixed Reset Notes only</i>: subject to reset on ● and ●]. The yield of the Notes is ● per cent. Interest will be paid [annually] in arrear on ● in each year.]</p> <p>[The Notes bear interest at floating rates calculated by reference to [<i>specify reference rate</i>] [plus/minus] a margin of ● per cent. Interest will be paid [semi-annually] in arrear on ● and ● in each year, subject to adjustment for non-business days.]</p> <p>[The Notes do not bear any interest.]</p> <p><b><i>Redemption</i></b></p> <p>The terms under which Notes may be redeemed (including the maturity date, if any, and the price at which they will be redeemed on the maturity date as well as any provisions relating to early redemption) will be agreed between the Issuer and the relevant Dealer at the time of issue of the relevant Notes, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms. The Notes may also be perpetual securities in respect of which there is no fixed redemption date.</p> <p><b><i>Issue Specific Summary:</i></b></p> <p><b><i>Redemption</i></b></p> <p>[Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on ● at [100] per cent. of their nominal amount. The Notes may be redeemed early for tax reasons [<i>or specify other</i>] at [<i>specify the early redemption price</i>].]</p> <p>[The Notes are undated (perpetual) instruments. The Notes may be redeemed early for tax reasons [<i>or specify other</i>] at [<i>specify the early redemption price</i>].]</p> <p><b><i>Representative of holders</i></b></p> <p>Not Applicable. Holder of Notes will not be represented by any third party.</p>
<b>C.10</b>	Derivative component	The Notes are not derivative securities.
<b>C.11</b>	Listing	The Notes may be issued on an unlisted basis or may be listed on Euronext in Amsterdam (or on any other stock

		<p>exchange as may be agreed between the relevant Issuer and the relevant Dealer).</p> <p><b>Issue Specific Summary:</b></p> <p>[The Notes will be listed on [Euronext in Amsterdam /specify another stock exchange agreed between the relevant Issuer and the relevant Dealer.]</p> <p>[The Notes will not be listed on any stock exchange.]</p>
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## Section D – Risks

Element	Title	
<b>D.1</b>	Key risks regarding the Issuers and the Guarantor	<p>In purchasing the Notes, investors assume the risk that an Issuer and (in respect of Notes issued by AFC) the Guarantor, may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in an Issuer and (in respect of Notes issued by AFC) the Guarantor, becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as an Issuer and (in respect of Notes issued by AFC) the Guarantor, may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside the relevant Issuer's and (in respect of Notes issued by AFC) the Guarantor's, control. The Issuers and the Guarantor have identified in this Base Prospectus and in the Registration Document (which has been published on the date of this Prospectus and has been approved by the AFM in its capacity of competent authority under the Wft) a number of factors which could materially adversely affect their businesses and ability to make payments due under the Notes. The key factors are:</p> <ol style="list-style-type: none"> <li>1. Interest rate volatility or sustained low interest rate levels may adversely affect Aegon's profitability and shareholders' equity.</li> </ol> <p>The profitability of Aegon's spread-based businesses depends in large part upon the ability to manage interest rate risk, credit spread risk and other risks inherent in the investment portfolio. Aegon may not be able to successfully manage interest rate risk, credit spread risk and other risks in the investment portfolio or the potential negative impact of those risks.</p> <ol style="list-style-type: none"> <li>2. Underwriting risk relates to the products sold by Aegon insurance entities. The underwriting process requires, among others, the setting of assumptions. Aegon's reported results of operations and financial</li> </ol>

		<p>condition may be affected by differences between actual claims experience and underwriting and reserve assumptions both due to incurred gains/ losses and from potential changes in best estimate assumptions that are used to value insurance liabilities.</p> <p>There is a risk that the pricing of Aegon's products turns out to be inadequate if the assumptions used for pricing do not materialize. Aegon's earnings depend significantly upon the extent to which actual claims experience is consistent with the assumptions used in setting the prices for Aegon's products and the extent to which the established technical provisions for insurance liabilities prove to be sufficient.</p> <p>3. Inaccuracies in econometric, financial or actuarial models, or differing interpretations of underlying methodologies, assumptions and estimates, could have a significant adverse effect on Aegon's business, results of operations and financial condition.</p> <p>4. Legal and arbitration proceedings and regulatory investigations and actions may adversely affect Aegon's business, results of operations and financial position.</p> <p>Aegon faces significant risks of litigation as well as regulatory investigations and actions relating to its and its subsidiaries' insurance, pensions, securities, investment management, investment advisory and annuities businesses as well as Aegon's corporate compliance, including compliance with employment, sanctions, anti-corruption and tax regulations.</p> <p>Aegon subsidiaries regularly receive inquiries from local regulators and policyholder advocates in various jurisdictions, including the United States, the Netherlands, and the United Kingdom. Regulators may seek fines or penalties, or changes to the way Aegon operates. In some cases, Aegon subsidiaries have modified business practices in response to inquiries.</p> <p>Government investigations may result in the institution of administrative, injunctive or other proceedings and/or the imposition of monetary fines, penalties and/or disgorgement as well as other remedies, sanctions, damages and restitutionary amounts. While we are unable to predict what actions, if any, might be taken and are unable to predict the costs to or other impact on us of any such action, there can be no assurances that this matter or other government investigations will not have a material and adverse effect on Aegon's reputation, financial</p>
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		<p>position, results of operations or liquidity.</p> <p>5. State statutes and regulators may limit the aggregate amount of dividends payable by Aegon's Subsidiaries and Aegon, thereby limiting Aegon's ability to make payments on debt obligations.</p> <p>Aegon's ability to make payments on debt obligations and pay some operating expenses is dependent upon the receipt of dividends from subsidiaries. Some of these subsidiaries have regulatory restrictions that can limit the payment of dividends. In addition, local regulators, acting to represent the interests of local policyholders, are taking an increasingly restrictive stance with respect to permitting dividend payments, which may affect Aegon's ability to satisfy its debt obligations or pay its operating expenses.</p> <p>Other factors include:</p> <p>(A) <b>Aegon:</b></p> <p>Disruptions in the global financial markets and general economic conditions have affected and continue to affect, and could have material adverse effects on Aegon's business, results of operations, cash flows and financial condition.</p> <p>Declines in values and defaults in Aegon's debt securities, private placements and mortgage loan portfolios held in Aegon's general and separate accounts, or the failure of certain counterparties, may adversely affect Aegon's profitability and shareholders' equity.</p> <p>A decline in equity markets may adversely affect Aegon's profitability and shareholders' equity, sales of savings and investment products, and the amount of assets under management.</p> <p>Interest rate volatility or sustained low interest rate levels may adversely affect Aegon's profitability and shareholders' equity.</p> <p>Rapidly rising interest rates may adversely affect Aegon's profitability and available liquidity.</p> <p>Aegon may not manage risks associated with the reform and replacement of benchmark rates effectively.</p> <p>Fluctuations in currency exchange rates may affect Aegon's reported results of operations.</p> <p>Illiquidity of certain investment assets may prevent Aegon from selling investments at fair prices in a timely manner.</p> <p>Underwriting risk relates to the products sold by Aegon</p>
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		<p>insurance entities. The underwriting process requires, among others, the setting of assumptions. Aegon's reported results of operations and financial condition may be affected by differences between actual claims experience and underwriting and reserve assumptions both due to incurred gains/losses and from potential changes in best estimate assumptions that are used to value insurance liabilities.</p> <p>Valuation of Aegon's investments, allowances and impairments is subjective, and discrepant valuations may adversely affect Aegon's results of operations and financial condition.</p> <p>Certain of Aegon's products have guarantees that may adversely affect its results, financial condition or liquidity.</p> <p>Aegon may be unable to manage Aegon's risks successfully through derivatives.</p> <p>Inaccuracies in econometric, financial or actuarial models, or differing interpretations of underlying methodologies, assumptions and estimates, could have a significant adverse effect on Aegon's business, results of operations and financial condition.</p> <p>Many of Aegon's business units offer investment products that utilize quantitative models, algorithms or calculations that could experience errors or prove to be incorrect, incomplete or unsuccessful resulting in losses for clients who have invested in such products and possible regulatory actions and/or litigation against Aegon and/or its affiliates.</p> <p>Aegon may be required to increase its technical provisions and/or hold higher amounts of regulatory capital as a result of changes in the regulatory environment or changes in rating agency analysis, which may decrease Aegon's returns on its products.</p> <p>Regulatory restrictions and failure to comply with regulations may impact Aegon's ability to do business, its financial position or financial results.</p> <p>Restrictions on underwriting criteria and the use of data may affect Aegon's ability to do business, its financial position or financial results.</p> <p>A downgrade in Aegon's ratings may increase policy surrenders and withdrawals, adversely affect relationships with distributors, and negatively affect Aegon's results.</p> <p>Changes in government regulations in the countries in which Aegon operates may affect profitability.</p> <p>An abandonment of the euro currency by one or more members of the European Monetary Union may affect</p>
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		<p>Aegon's results of operations in the future.</p> <p>The United Kingdom (UK) leaving the European Union ('Brexit'), may affect Aegon's results and financial condition.</p> <p>Risks of application of intervention measures may adversely affect Aegon's business, results of operations and financial position.</p> <p>Legal and arbitration proceedings and regulatory investigations and actions may adversely affect Aegon's business, results of operations and financial position.</p> <p>Aegon's risk management policies and processes may leave the Company exposed to unidentified or unanticipated risk events, adversely affecting its businesses, results and financial condition.</p> <p>Local statutes and regulators may limit the aggregate amount of dividends payable by Aegon's subsidiaries and Aegon N.V., thereby limiting Aegon's ability to make payments on debt obligations.</p> <p>Changes in accounting standards may affect Aegon's reported results, shareholders' equity and dividend.</p> <p>Tax law changes may adversely affect Aegon's profitability, as well as the sale and ownership of Aegon's products.</p> <p>Competitive factors may adversely affect Aegon's market share.</p> <p>Aegon may be unable to adapt to and apply new technologies.</p> <p>Aegon may experience difficulties in distributing and marketing products through its current and future distribution channels.</p> <p>The default of a major market participant may disrupt the markets and may affect Aegon's business, financial condition, liquidity, operations and prospects.</p> <p>Aegon may be unable to retain personnel who are key to the business.</p> <p>Reinsurers to which Aegon has ceded risk may fail to meet their obligations.</p> <p>Reinsurance may not be available, affordable or adequate to protect Aegon against losses.</p> <p>Aegon may have difficulty managing its expanding operations, and Aegon may not be successful in acquiring new businesses or divesting existing operations.</p>
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		Programme, refer to the information relating to Aegon as set out under the heading "Aegon" above.
<b>D.3</b>	Key risks regarding the Notes	There are also risks associated with particular issues of Notes. These include a range of market risks (including that there may be no or only a limited secondary market in the Notes, that the value of an investor's investment may be adversely affected by exchange rate movements where the Notes are not denominated in the investor's own currency, that changes in interest rates will affect the value of the Notes which bear interest at a fixed rate, that the regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks", that any credit rating assigned to Notes may not adequately reflect all the risks associated with an investment in such Notes, the absence of a prior market for the Notes and legal investment considerations may restrict certain investments), that the Notes may not be a suitable investment for all investors, that the holder may not receive payment of the full amounts due in respect of Notes as a result of amounts being withheld by the Issuers in order to comply with applicable law and that investors who hold less than the minimum specified denomination may be unable to sell their Notes and may be adversely affected if those Notes are subsequently required to be issued.

### Section E – Offer

Element	Title	
<b>E.2b</b>	Use of proceeds	The net proceeds of the issue of each Tranche of Notes will be used by the relevant Issuer for general corporate purposes.
<b>E.3</b>	Terms and conditions of the offer	<p>The terms and conditions of each Series of Notes will be determined by agreement between the Issuer and the relevant Dealers at the time of issue, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms.</p> <p><b>Issue specific summary:</b></p> <p>[This issue of Notes is being offered in a Non-Exempt Offer in [specify particular country/ies]].</p> <p>The issue price of the Notes is ● per cent. of their nominal amount.</p> <p>[Summarise any public offer, copying the language from paragraph 10 (Notes) of Part B of the Final Terms.]</p>
<b>E.4</b>	Interest of natural and legal persons involved in the issue/offer	The relevant Dealers may be paid fees in relation to any issue of Notes under the Programme. Any such Dealer and its affiliates may also have engaged, and may in the future

		<p>engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuers and the Guarantor and their affiliates in the ordinary course of business.</p> <p><b><i>Issue specific summary:</i></b></p> <p>[Other than as mentioned above,[ and save for ●,] so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer, including conflicting interests.]</p>
<b>E.7</b>	Expenses charged to the investor by the Issuer or an offeror	<p>It is not anticipated that the Issuer will charge any expenses to investors in connection with any issue of Notes under the Programme. Other Offerors (as defined above) may, however, charge expenses to investors. Such expenses (if any) will be determined on a case by case basis.</p> <p><b><i>Issue specific summary:</i></b></p> <p>[No expenses are being charged to an investor by the Issuer. [For this specific issue, however, expenses may be charged by an Offeror (as defined above) in the range between ● per cent. and ● per cent. of the nominal amount of the Notes to be purchased by the relevant investor.]]</p>

## **RISK FACTORS**

*Each of the Issuers believes that the factors described below and the risk factors contained in the Registration Document (as defined below) represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the relevant Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the relevant Issuer does not represent that the statements below and the risk factors contained in the Registration Document regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and the Registration Document and reach their own views prior to making any investment decision. Capitalised terms which are not defined below will have the meaning set out in the Terms & Conditions of the Notes.*

### **FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME**

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

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

***The Notes may be undated securities and the relevant Issuer is under no obligation to redeem such Notes at any particular point in time.***

The relevant Issuer is under no obligation to redeem any undated Notes at any time and the Holders have no right to call for their redemption. Therefore, potential investors in such Notes may be required to bear the financial risk of an investment in such Notes for an indefinite period of time.

***If the Issuers have the right to redeem any Notes at their option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return.***

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

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

***If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned.***

Fixed/Floating Rate Notes bear interest at a rate that the relevant Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in, and the market value of such Notes as the change of interest basis may result in a lower interest return for Holders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

***The interest rate on Fixed Reset Notes will reset on each Reset Date, which can be expected to affect interest payments on an investment in Fixed Reset Notes and could affect the market value of Fixed Reset Notes.***

Fixed Reset Notes will initially bear interest at the Initial Interest Rate until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of the applicable Mid-Swap Rate and the Reset Margin as determined by the Fiscal Agent on the relevant Reset Determination Date (each such interest rate, a **Subsequent Reset Rate**). The Subsequent Reset Rate for any Reset Period could be less than the Initial Interest Rate or the Subsequent Reset Rate for prior Reset Periods and could affect the market value of an investment in the Fixed Reset Notes.

***Notes issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates.***

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

***Changes or uncertainty in respect of LIBOR and/or EURIBOR or other interest rate benchmarks may affect the value or payment of interest under the Notes.***

Various interest rate benchmarks (including the London Inter-Bank Offered Rate (**LIBOR**) and the Euro Interbank Offered Rate (**EURIBOR**)) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective, including the Benchmark Regulation whilst others are still to be implemented.

Under the Benchmark Regulation, which became effective on 1 January 2018 in general, new requirements apply with respect to the provision of a wide range of benchmarks (including LIBOR and EURIBOR), the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the Benchmark Regulation, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevent certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed).

The Benchmark Regulation could have a material impact on any Notes linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the Benchmark Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

Specifically, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. On 27 July 2017, and in a subsequent speech by its Chief Executive on 12 July 2018, the UK Financial Conduct Authority (**FCA**) confirmed that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the **FCA Announcements**). The FCA Announcements indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

In addition, on 29 November 2017, the Bank of England and the FCA announced that, from January 2018, its Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (**SONIA**) over the next four years across sterling bond, loan and



derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

Separate workstreams are also underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fall-back by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13 September 2018, the working group on euro risk-free rates recommended Euro Short-term Rate (**€STR**) as the new risk free rate. €STR is expected to be published by the ECB by October 2019. In addition, on 21 January 2019, the euro risk free-rate working group published a set of guiding principles for fall-back provisions in new euro denominated cash products (including bonds). The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts may increase the risk to the euro area financial system.

These reforms and other pressures may cause one or more interest rate benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted.

Investors should be aware that, if LIBOR or EURIBOR were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes which reference LIBOR, EURIBOR or any other interest rate benchmark will be determined for the relevant period by the fall-back provisions set out in Condition 5(B)(ii) applicable to such Notes. Depending on the manner in which the LIBOR, EURIBOR or any other interest rate benchmark rate is to be determined under the Terms and Conditions, this may (i) if ISDA Determination applies, be reliant upon the provision by reference banks of offered quotations for the LIBOR or EURIBOR rate which, depending on market circumstances, may not be available at the relevant time or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR, EURIBOR or any other interest rate benchmark was available. Pursuant to the fall-back provisions applicable to Floating Rate Notes, the Issuer will have the discretion to determine whether a successor interest rate for LIBOR, EURIBOR or any other interest rate benchmark is available which will determine the way in which the interest rate is set, which may lead to a conflict between the interests of the Issuer and the Holders. Certain fall-back provisions are also applicable to Fixed Reset Notes, which may result in Mid-Swap Rate Quotations being obtained in order to determine the relevant reset rate or certain amendment being made to the terms of Fixed Reset Notes. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Notes which reference LIBOR, EURIBOR or any other interest rate benchmark.

The Benchmark Regulation could have a material impact on the Notes, as the Original Reference Rate may be deemed to be a "benchmark", in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmark Regulation. Pursuant to the fall-back provisions applicable to the Notes, an Independent Adviser appointed by the Issuer in accordance with Condition 5(B)(iii) shall determine whether an Alternative Benchmark Rate is available which will determine the way in which the interest rate is set. If the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine an Alternative Benchmark Rate, then the Issuer (in consultation with the Fiscal Agent or the Independent Adviser where appointed but unable to determine whether a Benchmark Rate is available and acting in good faith and a commercially reasonable manner) may determine which rate (if any) has replaced the Original Reference Rate, or, if it determines that there is no such rate, which rate (if any) is most comparable to the Original Reference Rate, and the Alternative Benchmark Rate shall be the rate so determined by the Issuer. However, if the Issuer is unable or unwilling to determine an Alternative Benchmark Rate and Alternative Screen Page prior to the Interest Determination Date relating to the next succeeding Interest Period as set out above, the Original Reference Rate applicable to such Interest Period shall be equal to (i) in respect of the Reset Period commencing on the First Reset Date and, for as long as no Alternative Benchmark Rate and Alternative Screen Page has been determined in accordance with Condition 5B(iii), each subsequent Reset Period, the Original Reference Rate as determined on the pricing date of the Notes and (ii) in respect of any other Interest Period, the Original Reference Rate in respect of the immediately preceding Interest Period. As a result, the interest rate shall effectively become a

fixed rate until an Alternative Benchmark Rate is determined. These arrangements may lead to a conflict between the interests of the Issuer and the Holders of the Notes. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility or the level of the published rate or level of the "benchmark".

Furthermore, if an Alternative Benchmark Rate is determined by the Independent Adviser or the Issuer in consultation with the Independent Adviser, the Terms and Conditions provide that the Issuer may vary the Terms and Conditions, as necessary to ensure the proper operation of such Alternative Benchmark Rate, without any requirement for consent or approval of the Holders of the Notes.

If an Alternative Benchmark Rate is determined by the Independent Adviser or the Issuer, the Terms and Conditions also provide that certain amendments may be made to the Alternative Benchmark Rate or the Terms and Conditions or that an adjustment factor may be determined by such Independent Adviser or the Issuer, following consultation with the Independent Adviser, to be applied to such Alternative Benchmark Rate, without the approval of the Holders. The aim of such amendments or adjustment factor is to make the Alternative Benchmark Rate comparable to the Original Reference Rate in order to retain as much as possible the respective economic positions of the Issuer and the Holders. However, it may not be possible to determine or apply such amendments or an adjustment factor and even if such amendments or an adjustment factor are applied, they may not be effective to reduce or eliminate a negative economic outcome for the Holders.

Furthermore, in respect of Subordinated Notes, if the operation of the above provisions would cause the Subordinated Notes to cease qualifying as at least the category of basic own funds as specified in the applicable Final Terms by reason of the level of the substitute or successor rate, the Margin will be adjusted to such extent as is necessary to ensure continued qualification as at least the category of basic own funds as specified in the applicable Final Terms, provided that the Margin shall never be negative. Furthermore, no substitute or successor rate will be adopted, nor will any other amendment to the terms of the Subordinated Notes be made, if and to the extent that the same would cause the Subordinated Notes to cease qualifying as at least the category of basic own funds as specified in the applicable Final Terms of the Issuer or as other equivalent regulatory capital of the Issuer under the Capital Adequacy. In such case, the Rate of Interest shall be equal to the Rate of Interest as at the last preceding interest determination date (corrected for any change to the relevant margin).

Under the Benchmark Regulation, each of the Issuer and the Independent Adviser may be considered an 'administrator'. This is the case if it is considered to be in control over the provision of the Screen Rate Determination and/or the determined rate of interest on the basis of the Screen Rate Determination any adjustments made thereto and/or otherwise in determining the applicable rate of interest in the context of a fall-back scenario. This would mean that the Issuer and/or the Independent Adviser has control over the (i) administration of the arrangements for determining such rate, (ii) collection, analysis or processes of input data for the purposes of determining such rate and (iii) determination of such rate through the application of a method of calculation or by an assessment of input data for that purpose. Furthermore, for the Independent Adviser and/or the Issuer to be considered an 'administrator' under the Benchmark Regulation, the Screen Rate Determination and/or the determined rate of interest on the basis of the Screen Rate Determination and any adjustments made thereto and/or otherwise in determining the applicable rate of interest in the context of a fall-back scenario may be a benchmark (index) within the meaning of the Benchmark Regulation. This may be the case if the Screen Rate Determination and/or the determined rate of interest on the basis of the Screen Rate Determination and any adjustments made thereto and/or otherwise in determining the applicable rate of interest in the context of a fall-back scenario, are published or made available to the public and regularly determined by the application of a method of calculation or by an assessment, and on the basis of certain values or surveys.

The Benchmark Regulation stipulates that each administrator of a benchmark regulated thereunder or the benchmark itself must be registered, authorized, recognized or endorsed, as applicable, in accordance with the Benchmark Regulation. There is a risk that administrators (which may include the Fiscal Agent in the

circumstances as described above) of certain benchmarks will fail to obtain such registration, authorization, recognition or endorsement, preventing them from continuing to provide such benchmarks, or may otherwise choose to discontinue or no longer provide such benchmark. As a result, a fixed rate based on the rate which applied in the previous period when LIBOR, EURIBOR, or any other interest rate benchmark was available, may apply to the Notes until the time that registration, authorised registration or endorsement of the relevant administrator has been completed or as substitute or successor rate for the relevant Reference Rate is available.

More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the following effect on certain "benchmarks": (i) discourage market participants from continuing to administer or contribute to such "benchmarks"; (ii) trigger changes in the rules or methodologies used in the "benchmarks" or (iii) lead to the disappearance of the "benchmark" without being replaced by a successor benchmark.

Moreover, any significant change to the setting or existence of LIBOR, EURIBOR or any other relevant interest rate benchmark could affect the ability of the Issuer to meet its obligations under the Notes and could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes.

Potential investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation and benchmark reforms, investigations and licensing issues in making any investment decision with respect to the Notes.

#### **Risks related to Subordinated Notes (which are only issued by Aegon)**

***An investor in Subordinated Notes assumes an enhanced risk of loss in the event of Aegon's insolvency.***

Aegon's obligations under Subordinated Notes will be unsecured and subordinated and will rank *pari passu* among themselves. In the event of the bankruptcy, winding-up or moratorium (*faillissement, vereffening na ontbinding* or *surseance van betaling*) of Aegon, the payment obligations of Aegon under the Subordinated Notes shall rank in right of payment after unsubordinated unsecured creditors of Aegon, and any set-off by Holders of a Subordinated Note shall be excluded, until all of Aegon's obligations vis-à-vis its unsubordinated unsecured creditors have been satisfied, but at least *pari passu* with all other subordinated obligations of Aegon that are not expressed by their terms to rank junior to the Subordinated Notes, and in priority to the claims of shareholders of Aegon. Furthermore, there is no restriction on the amount of debt which Aegon may issue or guarantee. Aegon and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank *pari passu* with or senior to the obligations under the Subordinated Notes. Therefore, there is a real risk that an investor in Subordinated Notes will lose all or some of his investment should Aegon become insolvent.

***An investor in Subordinated Notes may be required to bear the financial risks of an investment in the Subordinated Notes for a significant period of time beyond the maturity date specified in the applicable Final Terms.***

An investor in Subordinated Notes may be required to bear the financial risk of an investment in the Subordinated Notes beyond the maturity date specified in the applicable Final Terms. Subordinated Notes may only be redeemed on or before the maturity date specified in the applicable Final Terms or purchased by Aegon provided that (a) no Mandatory Deferral Event has occurred and is continuing on the relevant date for redemption or purchase, (b) such redemption or purchase would not itself cause a Mandatory Deferral Event or (c) no Insolvent Insurer Liquidation has occurred and is continuing on the relevant date for redemption or purchase or, in each case, as otherwise permitted by the Relevant Supervisory Authority and subject to our having received the prior approval of the Relevant Supervisory Authority if required pursuant to the Capital Adequacy Regulations in order for the Subordinated Notes to qualify as regulatory capital. If on the relevant

date for redemption (i) a Mandatory Deferral Event has occurred and is continuing, (ii) a redemption would itself cause a Mandatory Deferral Event or (iii) an Insolvent Insurer Liquidation has occurred and is continuing, then the Subordinated Notes may only be redeemed on any day thereafter on which no Mandatory Deferral Event is continuing, the redemption would itself not cause a Mandatory Deferral Event and no Insolvent Insurer Liquidation is continuing.

***Aegon is subject to capital adequacy requirements and breach of these requirements will cause interest payments under Subordinated Notes to be deferred and, in other circumstances, interest payments under Subordinated Notes may be deferred at Aegon's election.***

Aegon, at group level, is subject to multiple regulatory frameworks that include capital adequacy requirements, including those pursuant to the Solvency II regime and pursuant to the EU Financial Conglomerates Directive. For Aegon, the dominant capital adequacy requirements result from the Solvency II regime.

Solvency II became effective in EU member states as per 1 January 2016. Elements of the Solvency II framework (including the interpretation of requirements) may change going forward. This may affect the way Aegon implements the Solvency II framework, including Aegon's financial position under Solvency II. Pursuant to Solvency II, Aegon is required to calculate a solvency ratio (own funds divided by the required solvency, the latter referred to as the **Group SCR**), for the Aegon Group at the level of Aegon which should be at least equal to 100%. Under Solvency I, EU supervisors usually required insurance and reinsurance undertakings to maintain a substantial percentage of own funds above the statutory minimum requirements. Under Solvency II, DNB leaves the decision as to whether to hold a buffer of own funds in excess of the Group SCR, or the SCR, to the Aegon Group and to the insurance and reinsurance undertakings in the Aegon Group. As the prudential supervisor, DNB will nonetheless monitor Aegon's capital management policies. Aegon applies its own capital management policies that determine its risk tolerances on the basis of self-imposed criteria. These policies may result in Aegon, at its own election, but supervised by DNB, maintaining a buffer of own funds in addition to those required in accordance with Solvency II requirements. Aegon's maximum risk tolerance for capital adequacy in the operating units is to maintain capitalization ratios above at least 100% SCR until after the occurrence of statistical '1-in-10 year' equivalent stress scenarios. However, Aegon aspires to consistently maintain higher capital levels and targets local capitalisation levels in the operating units to support sustainable capital generation and stable dividends also until after the occurrence of statistical '1-in-10 year' equivalent stress scenarios. These scenarios do not only reflect narrow statistical events, but can also include a broader range of stress scenarios such as economic, operational, regulatory and political events. Pursuant to these self-imposed criteria, Aegon currently aims to hold a buffer in excess of the 100% minimum Group SCR of 50 to 100%, in accordance with Aegon Group's capital management policy. The calculation of the Group SCR in accordance with Solvency II is further described in the sections "Regulation and supervision" and "Capital and liquidity management" of Aegon's Annual Report 2018.

In addition to the SCR, insurance and reinsurance companies should also calculate a Minimum Capital Requirement (**MCR**). This represents a lower level of financial security than the SCR, below which the level of eligible own funds held by the insurance or reinsurance company is not allowed to drop.

The Group SCR should be at least equal to 100%. This calculation includes, as part of the Group SCR, local capital requirements for insurance and reinsurance undertakings in non-EU countries that are deemed (provisionally) equivalent. Due to the relative proportion of these activities, the treatment of its US insurance activities is of particular relevance to Aegon. Aegon uses a combination of the two aggregation methods defined within the Solvency II framework to calculate the Group SCR, the accounting consolidation method (**method 1**) and the deduction and aggregation method (**method 2**). Aegon applies the accounting consolidation method as the default method. However, for insurance entities domiciled outside the EEA for which provisional or full equivalence applies, such as the United States, Aegon uses the deduction and aggregation method, with local regulatory requirements to bring these into the Group solvency position. US insurance and reinsurance entities are included in Aegon's group solvency calculation in accordance with

local U.S. risk-based capital (**RBC**) requirements. Until 30 June 2017, Aegon used 250% of the local Company Action Level (**CAL**) RBC as the SCR equivalent. Aegon received approval from DNB to apply, as of 1 July 2017, a revised methodology that includes lowering the conversion factor from 250% to 150% RBC, and reducing the contribution to own funds by 100% of the local CAL RBC requirement to reflect transferability restrictions. This methodology is subject to annual review and the change enhances comparability with European peers.

Undertakings that are part of an insurance group but active in other financial sectors, such as banks, are generally taken into account using capital requirements applicable to them specifically. These undertakings are included in the calculation of the capital requirements using method 2, as opposed to method 1. However, subject to certain conditions, entities in other financial sectors may be included in accordance with method 1. In particular, this may be the case where DNB as Group supervisor is satisfied as to the level of integrated management and internal control regarding these entities. Furthermore, DNB may require groups to deduct any participation from the own funds, eligible for the group solvency. Accordingly, Aegon deducts its participation in Aegon Bank N.V. from the Group SCR.

When calculated in accordance with method 1, the Group SCR should be at least equal to the consolidated group solvency capital requirement as referred to in the second subparagraph of Article 230(2) of the Solvency II Directive (which is composed in particular of the sum of the minimum capital requirements of the EU insurance and reinsurance undertakings in the group). When calculated in accordance with a combination of method 1 and method 2, the minimum of the Group SCR is at least equal to the minimum consolidated group solvency capital requirement as referred to in Article 341 of the Solvency II Delegated Regulation. This absolute floor of the Group SCR is usually referred as the group minimum capital requirement or Group MCR. While the Group MCR generally represents a solvency requirement that is below the Group SCR, these ratios have different limitations concerning tiers of own funds eligibility.

Insurance and reinsurance companies are required to hold eligible own funds against the SCR and MCR. The capital is divided into three tiers in accordance with the quality of the own funds. The lower tiers of own funds (tier 2 and tier 3), as well as certain items (as described in Article 82(3) of the Solvency II Delegated Regulation) that form part of tier 1 own funds, may only represent a certain part of the eligible own funds. Furthermore, the SCR may be covered up to limited amounts with off-balance sheet own funds ('ancillary own funds' such as letters of credits or guarantees). The MCR should be covered entirely by on-balance sheet items ('basic own funds').

The classification or 'tiering' of Aegon's capital is based on distinct tier limits for the part of the Aegon Group covered by the accounting consolidation method (where tier limits are based on the SCR of the consolidated part of the Aegon Group, i.e. the consolidated Group SCR) and for the part of the Aegon Group covered by the deduction and aggregation method. If a prudential regime of an equivalent or provisionally equivalent third country (such as the regulatory regimes in the United States) does not categorise own funds into tiers or defines tiers which are significantly different from those established under the Solvency II Directive, then, in line with the European Insurance and Occupational Pensions Authority's opinion of 27 January 2016 (EIOPA-BoS-16-008), the own funds brought in by the deduction and aggregation method are allocated to tiers according to the principles laid down in Articles 87 to 99 of the Solvency II Directive for each individual third-country insurance undertaking.

DNB may intervene if the Group SCR or Group MCR, as applicable, is no longer complied with. Moreover, DNB has supervisory powers to intervene in a situation even where the Group SCR and Group MCR are still met, but their level or the buffer levels set by Aegon (pursuant to Aegon Group's capital management policy), are potentially under threat. This may lead to Aegon having to execute a recovery plan that should bring the own funds back in line with an acceptable buffer in excess of the Group SCR. Intervention by DNB may lead to Aegon being required to defer interest payments on the Subordinated Notes.

Pursuant to Solvency II, Aegon will be obliged to defer interest payments on Tier 2 Notes upon breach of its Group SCR or, in the case of the Tier 3 Notes, the Group MCR (as statutorily applicable or applied by DNB respectively). In other circumstances, such as when Aegon opts to replenish the buffer in excess of the Group

SCR to stay in compliance with its Group capital management policy, interest payments under Subordinated Notes may be deferred at Aegon's election. Any unpaid interest shall as long as it remains unpaid constitute arrears of interest (**Arrears of Interest**) and Arrears of Interest will not bear interest. See further Condition 5D (Deferral of Interest on Subordinated Notes) of the Terms and Conditions of the Notes.

Any deferral of interest payments or actual or perceived increase in the likelihood that interest payments are deferred will likely have an adverse effect on the market price of the Subordinated Notes. In addition, as a result of the possibility of deferral of interest on the Subordinated Notes, the market price of the Subordinated Notes may be more volatile than the market prices of other debt securities on which interest accrues and which are not subject to such deferrals, and may be more sensitive generally to adverse changes in Aegon's and the Aegon Group's financial condition.

***Subject to certain conditions, Aegon may redeem the Subordinated Notes at its option on certain dates***

Subject to the conditions set out in Condition 6.15 (Redemption or purchase of Subordinated Notes), if so specified in the relevant Final Terms, Aegon may redeem all (but not some only) of the Subordinated Notes at their relevant early redemption amount. Such redemption may occur from a certain date, in the event of certain changes in the tax treatment of the Subordinated Notes or following the occurrence of certain regulatory, rating or accounting events as specified in the relevant Final Terms. See further Condition 6 (Redemption and Purchase).

Aegon may decide to redeem the Subordinated Notes when its cost of borrowing is lower than the interest rate on the Subordinated Notes. During any period when Aegon may elect or may be perceived to be more likely to elect to redeem the Subordinated Notes, the market value of the Subordinated Notes generally will not rise above the price at which they can be redeemed. This may also be true prior to any redemption period.

An investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Subordinated Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

***Redemption of Subordinated Notes is subject to certain conditions, which, if not met, may require redemption to be deferred.***

Upon the occurrence of certain specified events, the Subordinated Notes may be redeemed at their principal amount or such other amount as set out in the Terms and Conditions of the Notes and the applicable Final Terms or they may be substituted or their terms may be varied as provided in Condition 6 (Redemption and Purchase) of the Terms and Conditions of the Notes.

Subordinated Notes may only be redeemed on or before the maturity date specified in the applicable Final Terms or purchased by the Issuer provided that (i) no Mandatory Deferral Event has occurred and is continuing on the relevant date for redemption or purchase, (ii) such redemption or purchase would not itself cause a Mandatory Deferral Event or (iii) no Insolvent Insurer Liquidation has occurred and is continuing on the relevant date for redemption or purchase, or in each case, as otherwise permitted by the Relevant Supervisory Authority. Furthermore any redemption or purchase of the Subordinated Notes is subject to the Issuer having received the prior approval of the Relevant Supervisory Authority if required pursuant to the Capital Adequacy Regulations in order for the Subordinated Notes to qualify as regulatory capital.

***Aegon may substitute the Subordinated Notes or vary their terms without holder consent.***

Upon the occurrence of a Tax Event, a Capital Disqualification Event, a Rating Methodology Event or an Accounting Event, the Issuer may, at its option and without consent or approval of the Holders of Subordinated Notes, elect to substitute the Notes for, or vary the terms of the Subordinated Notes so that they remain or become, Qualifying Securities, as provided in Condition 6.12 (Substitution and Variation of the

Subordinated Notes) of the Terms and Conditions of the Notes. In the case of a substitution or variation of the terms of the Subordinated Notes, whilst the substituted or modified Subordinated Notes must have the terms which are not materially less favourable to an investor than the terms of the original Subordinated Notes then prevailing, there can be no assurance that, due to the particular circumstances of each Holder of Subordinated Notes, such substituted or modified Subordinated Notes will be as favourable to each Holder of Subordinated Notes in all respects.

***Aegon may be required to increase its technical provisions and/or hold higher amounts of regulatory capital as a result of changes in the regulatory environment or changes in rating agency analysis, which may decrease Aegon's returns on its products.***

The Subordinated Notes are expected to qualify as Solvency II Tier 2 or Tier 3, as the case may be, qualifying capital instruments pursuant to the Solvency II Directive as implemented in the Wft, as well as in the Solvency II Delegated Regulation. Aegon is subject to capital adequacy requirements and breach of these requirements will cause interest payments under Subordinated Notes to be deferred and, in other circumstances, interest payments under Subordinated Notes may be deferred at its election. The capital adequacy regulations, such as the Solvency II Directive and Solvency II Delegated Regulation may change from time to time. Furthermore, the Solvency II framework consists of a substantial number of implementing technical standards. Also these may change from time to time and new standards may be introduced.

Prudential regulatory requirements such as with respect to the calculation of technical provisions, capital requirements, the eligibility of own funds and the regulatory treatment of investments may change, resulting in increased technical provisions, higher amounts of regulatory capital, more stringent requirements with respect to investments and/or the qualification of own funds. Aegon cannot predict specific proposals that might be adopted, or what impact, if any, such proposals or, if enacted, such laws, may have on its businesses, results of operations, or financial condition. For example, the European Union, the National Association of Insurance Commissioners (NAIC) in the US or US state regulators may adopt revisions to applicable risk-based capital formulas and local regulators in other jurisdictions in which Aegon's subsidiaries operate may increase their capital requirements.

Prudential regulatory requirements may not only apply to the individual entities in the group, but may additionally apply at sub-group or group level. Important examples of such requirements are Solvency II group supervision, as well as consolidated requirements resulting from the Capital Requirements Directive (CRD) and Capital Requirements Regulation (CRR), as applied to groups containing undertaking bank and/or asset management activities.

The manner in which such requirements are applied to groups like Aegon, has an impact on the group's capital position, as well as on the availability of capital at group level and changes thereto may have an impact, depending on the nature of the change, on Aegon's competitive position to competitors that are not subject to these or similar requirements at group level. As an example, as part of the Solvency II group calculation, Aegon uses, at group level, a specific methodology for its US insurance and reinsurance subsidiaries, in addition to the requirements these subsidiaries are subject to under their local prudential regime. This methodology is approved by Aegon's group supervisor, DNB, but remains subject to annual review. Changes to this methodology might have an impact on Aegon's capital position, as calculated under Solvency II group requirements and/or the manner in which DNB otherwise exercises group supervision on Aegon (such as more stringent requirements with respect to intra-group transactions, risk concentrations and reporting).

Furthermore, Aegon and the Aegon Group may be impacted by further changes to the capital adequacy requirements it is subject to as a result of the development of the Insurance Capital Standard (ICS) as part of the Common Framework for the Supervision of Internationally Active Insurance Groups (ComFrame) (a set of international regulatory standards focusing on the effective group-wide supervision of internationally active insurance groups (IAIGs)).

In addition, since November 3, 2015, Aegon has been classified as a Global Systematically Important Insurer (**G-SII**). While the qualification is reviewed by the Financial Stability Board (**FSB**) yearly, the FSB, in consultation with the International Association of Insurance Supervisors (**IAIS**) and national authorities, decided not to publish a new list of G-SIIs for 2017 or 2018. The policy measures set out in the FSB's 2016 communication on G-SIIs will continue to apply to the firms listed in the 2016 communication.

In November 2018, the IAIS published a consultation document for a holistic Framework for Systemic Risk in the Insurance Sector. As expressed in the consultation document, IAIS is of the view that the implementation of a holistic framework should remove the need for an (annual) G-SII identification by the FSB and national authorities and be replaced by an enhanced set of policy measures and supervisory powers of intervention that might be applied to a broader set of insurers than are currently on the FSB-list.

In this respect, the development of ComFrame as well as any additional requirements or standards applicable to either systemic entities or activities could lead to enhanced capital requirements applicable to IAIGs, even if the FSB-list will be discontinued. This could adversely affect Aegon's ability to compete with other insurers that are not subject to those capital requirements. These requirements may lead Aegon to engage in transactions that affect capital, constrain Aegon's ability to pay dividends or repurchase its own shares. Furthermore, such requirements may constrain Aegon's ability to provide guarantees and increase the cost to Aegon of offering certain products resulting in price increases, discontinuance of offering of certain products or reducing the amount of risk Aegon takes on. Aegon may consider structural and other business alternatives in light of requirements or standards applicable with respect to systemic entities or activities, of which the impact on shareholders cannot be predicted.

In addition to requirements imposed directly through regulatory requirements and/or supervisory authorities rating agencies may incorporate higher capital thresholds into their quantitative analyses, thus requiring additional capital for Aegon's regulated subsidiaries in order for Aegon Group and/or its regulated subsidiaries to maintain their desired credit ratings.

In the United States, the NAIC is seeking to better align the Risk-Based Capital charges with the appropriate risk level for invested assets. This may lead to higher risk-based charges for such assets.

Furthermore, the NAIC model regulation 'Valuation of Life Insurance Policies', (commonly known as Regulation XXX), requires insurers in the United States to establish additional statutory reserves for term life insurance policies with long-term premium guarantees. In addition, Actuarial Guideline XXXVIII, (commonly known as AG38), which is intended to clarify Regulation XXX, requires insurers to establish additional statutory reserves for certain universal life insurance policies with secondary guarantees. Virtually all of Aegon's newly issued term and universal life insurance products in the United States are affected by Regulation XXX and AG38, respectively.

Subsequently, the NAIC adopted regulations to monitor and provide transparency for insurer-affiliated captive reinsurers. Captive reinsurance structures have been used to manage 'economically redundant' reserves for term and secondary guarantee universal life policies. Since the January 1, 2017 enactment of U.S. principle-based reserves for new business, new captive reinsurance structures are no longer required for new issuances of these term and secondary guarantee universal life products and the Company does not anticipate entering into any new captive reinsurance arrangements for such products. The new reserves requirements for U.S. life insurance products are intended by regulators to represent a more economically supported view of the resources required to honor the promises to policyholders. For existing business held in a captive, Aegon may continue to be subject to the risks of adverse publicity and changes in regulations related to captive reinsurance.

Aegon utilizes affiliated captive insurance companies to manage risks of various insurance policies, including universal life with secondary guarantees and level term life insurance. Through these structures, Aegon finances certain required regulatory reserves at a lower cost. To the extent that state insurance departments restrict Aegon's use of captives, and regulatory reserve requirements remain unchanged, this could increase costs, limit the ability to write these products in the future or lead to increased prices to



consumers on those products. The NAIC continues to consider changes to corporate governance and insurers' use of captives. Due to the uncertainty of the proposals it is not possible to provide an estimate of the effects at this time.

Any changes in capital adequacy requirements could result in a higher overall valuation of liabilities or capital requirements for Aegon and the Aegon Group, or a lower overall recognition of own funds than is currently the case or may currently be foreseen. This may result in the occurrence of a Capital Adequacy Event, which definition also covers a breach of any capital adequacy requirements pursuant to future rules and regulations to which Aegon and/or the Aegon Group is subject. As a result of the occurrence of a Capital Adequacy Event, payment of principal and interest under the Subordinated Notes would be deferred as further described in *Aegon is subject to capital adequacy requirements and breach of these requirements will cause interest payments under Subordinated Notes to be deferred and, in other circumstances, interest payments under Subordinated Notes may be deferred at Aegon's election.*

***Payments made under some junior or equally ranking instruments will not trigger an obligation on Aegon to make payments on the Subordinated Notes.***

Pursuant to Condition 5D(c) of the Terms and Conditions of the Notes, interest payments on the Subordinated Notes will in any event, but subject to certain exceptions as further described in Condition 5D(c) of the Terms and Conditions of the Notes, become mandatorily due and payable on an Interest Payment Date if during a period of six months prior to such Interest Payment Date a dividend (or any distribution from reserves) was declared payable in respect of any common shares of Aegon in the general meeting of shareholders of Aegon or Aegon has repurchased or otherwise acquired any common shares in its own capital (subject to restrictions as defined in Condition 5D(c) of the Terms and Conditions of the Notes).

Payments on any instruments ranking junior to the Subordinated Notes, including, but not limited to capital securities qualifying as hybrid tier 1 capital of the Issuer and any Junior Debt Instruments, but excluding the common shares of Aegon, will not be caught by this provision and Aegon will then not be obliged pursuant to the Terms and Conditions of the Notes to make payments on the Subordinated Notes.

Potential investors in the Subordinated Notes should therefore realise that holders of instruments ranking junior to or *pari passu* with the Subordinated Notes may receive payments from Aegon in priority to the Holders of Subordinated Notes, even though their claims rank junior to or *pari passu* with those of Holders of Subordinated Notes.

### **Risks related to Notes generally**

Set out below is a brief description of certain risks relating to the Notes generally:

***The Notes may not be a suitable investment for all investors.***

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

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

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 which are complex financial instruments 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.

### ***Recently announced tax initiatives of newly elected Dutch government***

On 10 October 2017, the four parties that have formed the new Dutch government released their coalition agreement (*regeerakkoord*) 2017-2021 (the **Coalition Agreement**). The Coalition Agreement does not include concrete legislative proposals, but instead sets out a large number of policy intentions of the new Dutch government. On 23 February 2018, the Dutch State Secretary for Finance published a letter with an annex containing further details on the government's policy intentions against tax avoidance and tax evasion. These intentions have been included in the Tax Plan 2019 (*Pakket Belastingplan 2019*) and related legislative proposals as published by the Dutch government on 18 September 2018. Two policy intentions in particular may become relevant in the context of the Dutch tax treatment of the Issuer, the Notes, and/or payments under the Notes.

One of the policy intentions described in the Coalition Agreement is the introduction of a withholding tax on interest payments made to beneficiaries in low-tax jurisdictions or countries that are included in the EU list of non-cooperative jurisdictions as of 2021. The Coalition Agreement and the annex to the letter suggest that this interest withholding tax would apply to certain payments made by a Dutch entity directly or indirectly to a group entity in a low tax or non-cooperative jurisdiction. This intention is reconfirmed in the letter of the Dutch State Secretary for Finance of 15 October 2018. However, it cannot be ruled out that, contrary to the information publicly available to date, it will have a wider application and, as such, it could potentially be applicable to interest payments on the Notes. If the envisaged withholding tax on interest payments is implemented in Dutch tax law, the Issuer or, if the Guarantee were called, the Guarantor will not be required to pay any additional amounts to Holders of the Notes who are a (deemed) tax resident of, or otherwise are connected to, a low-tax jurisdiction (as defined in any Dutch tax law implementing the policy intention presented in the Coalition Agreement) or a non-cooperative jurisdiction (as listed in the EU list of non-cooperative jurisdictions for tax purposes) to compensate them for such withholding tax.

Another policy intention relates to the introduction of a minimum capitalization rule as of 2020 that would limit the deduction of interest for tax payers such as banks and insurance companies if highly leveraged. On 18 March 2019, the Dutch government published a consultation paper regarding this minimum capitalization rule including draft legislation for consultation purposes. The draft legislation limits the applicability of the minimum capitalization rule to qualifying banks and insurance companies, such as the Issuer. In short, the rule would apply to insurance companies with an equity of less than 8% of the balance sheet total (to be determined on the basis of a set of specific provisions which refer, amongst others, to Solvency II). If the rule is implemented in Dutch law in accordance with this draft legislation, the minimum capitalization rule may have an adverse impact on the amount of interest that the Issuer can deduct for Dutch corporate income tax purposes and thus on its financial position.

***Investors who purchase bearer Notes (which are only issued by Aegon) in denominations that are not an integral multiple of the Specified Denomination may be adversely affected if definitive bearer Notes are subsequently required to be issued.***

In relation to any issue of bearer Notes by Aegon which have denominations consisting of a minimum Specified Denomination and one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case, a Holder who, as a result of such trading, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive bearer Note in respect of such holding (should definitive bearer Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to the minimum Specified Denomination.

If definitive Notes are issued, Holders should be aware that definitive Notes which have a denomination which is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

***Risks of application of intervention measures may adversely affect Aegon's business, results of operations and financial position***

On 1 January 2019, the Dutch Act on Recovery & Resolution for Insurers (**R&R Act**) came into force in the Netherlands, replacing the previously applicable intervention regime for insurance companies in the Netherlands faced with financial difficulties. The R&R Act allows DNB to intervene in situations where a Dutch insurer or reinsurer, is faced with financial difficulties. The powers under the R&R Act may also extend to the level of the Aegon Group and to entities, other than in insurance or reinsurance entities in the Netherlands, which are part of the Aegon Group, such as Aegon N.V.

In addition, the R&R Act will allow DNB to require a Dutch insurance or reinsurance company or a group to remove, ex ante, impediments to effective resolution of a Dutch insurance or reinsurance undertaking (such as the revision of financing arrangements, the reduction of exposures, the transfer of assets, the termination or limitation of business activities, or the prohibition to start certain business activities, change the legal or operational structure of the group, or securing certain critical business lines). The use of this tool may adversely affect Aegon's business, results of operations and financial position.

Furthermore, to parts of the Aegon Group, in particular Aegon Bank N.V., the framework of the EU Directive on the recovery and resolution of credit institutions and investments firms (the **Bank Recovery and Resolution Directive**) is applicable. The Bank Recovery and Resolution Directive also contains provisions that, in certain specific circumstances, where both Aegon Bank N.V. and Aegon N.V. fail or are likely to fail, could be applied to mixed financial holding companies such as Aegon N.V., including the right of bail-in of creditors, such as Holders.

Lastly, under Part 6 of the Dutch Financial Supervision Act, the Dutch Minister of Finance may intervene immediately, when the stability of the financial system is threatened by the situation of a financial institution, in which case legal or statutory provisions, applicable to the financial institution, might be surpassed. The intervention measures available to the Minister of Finance, include in particular the right to expropriate assets of the financial institution, as well as securities and/or other financial instruments issued by or with the cooperation of the financial institution, such as the Notes. The exercise of this power may significantly impact the rights of the owners or holders of these assets, securities and/or financial instruments. There is a risk that the possible exercise of powers, or any perceived exercise of powers, by DNB or the Minister of Finance could have a material adverse effect on the performance by the failing institution, including Aegon, of its obligations (of payment or otherwise) under contracts of any form, including the expropriation, write-off, write-down or conversion of securities such as shares and debt obligations issued by the failing institution. This could have a substantial negative impact on the price of the Notes. Furthermore, the terms of contracts, including debt obligations may be varied (e.g. the variation of maturity of a debt instrument).

### ***Limitation on gross-up obligation under the Subordinated Notes***

Aegon's obligation, if any, to pay additional amounts in respect of any withholding or deduction in respect of taxes under the terms of the Subordinated Notes applies only to payments of interest due and paid under the Subordinated Notes and not to payments of principal.

As such, Aegon would not be required to pay any additional amounts under the terms of the Subordinated Notes to the extent any withholding or deduction applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any payments of principal under the Subordinated Notes, Holders of Subordinated Notes may receive less than the full amount due under the Subordinated Notes, and the market value of the Subordinated Notes may be adversely affected. In addition, any payment of additional amounts may be subject to optional or mandatory deferral by Aegon in accordance with Condition 5D(a) (*Optional Deferral of Interest*) or Condition 5D(b) (*Required Deferral of Interest*).

### **FACTORS THAT MAY AFFECT THE ISSUERS' ABILITY TO FULFIL THEIR OBLIGATIONS UNDER NOTES ISSUED UNDER THE PROGRAMME**

Each potential investor in the Notes should refer to the Risk Factors section of the Registration Document for a description of those factors which may affect the Issuers' ability to fulfil their obligations under Notes issued under the Programme. See "*Documents Incorporated by Reference*".

### **RISKS RELATED TO THE MARKET GENERALLY**

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

***An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes.***

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

***If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holdings. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes.***

The Issuers will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of an Issuer or the Guarantor to make

payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***The value of Fixed Rate Notes may be adversely affected by movements in the market interest rates.***

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

***Credit ratings assigned to any Notes may not reflect all the risks associated with an investment in those Notes.***

One or more independent credit rating agencies may assign credit ratings to the Notes. 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 Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies will be disclosed in the Final Terms.

***Absence of prior public markets.***

The Notes constitute an issue of new securities by the Issuers. Prior to this issue, there will have been no public market for the Notes. Although application may be made for Notes to be listed on the Euronext in Amsterdam or on any other stock exchange as may be agreed between the relevant Issuer and the relevant Dealer there can be no assurance that an active public market for the Notes will develop and, if such a market were to develop, the relevant Dealers are under no obligation to maintain such a market. The liquidity and the market prices for the Notes can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the relevant Issuer and other factors that generally influence the market prices of 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 (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

## IMPORTANT INFORMATION RELATING TO NON-EXEMPT OFFERS OF NOTES

### Restrictions on Non-exempt offers of Notes in Relevant Member States

Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a **Non-exempt Offer**. This Base Prospectus has been prepared on a basis that permits Non-exempt Offers of Notes. However, any person making or intending to make a Non-exempt Offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each a **Relevant Member State**) may only do so if this Base Prospectus 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 published in accordance with the Prospectus Directive, provided that the relevant Issuer has consented to the use of this Base Prospectus in connection with such offer as provided under "*Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)*" and the terms of that consent are complied with by the person (the **Offeror**) making the Non-exempt Offer of such Notes.

Save as provided above, neither the Issuers nor any Dealer have authorised, nor do they authorise, the making of any Non-exempt Offer of Notes in circumstances in which an obligation arises for the relevant Issuer or any Dealer to publish or supplement a prospectus for such offer.

### Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)

Any person (an **Investor**) intending to acquire or acquiring any Notes from any Offeror other than the Issuers or a relevant Dealer should be aware that, in the context of a Non-exempt Offer of such Notes, the relevant Issuer will be responsible to the Investor for this Base Prospectus under Article 6 of the Prospectus Directive only if such Issuer has consented to the use of this Base Prospectus by that Offeror to make the Non-exempt Offer to the Investor. None of the Issuers or any Dealer makes any representation as to the compliance by that Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Non-exempt Offer and none of the Issuer or any Dealer has any responsibility or liability for the actions of that Offeror. **Save as provided below, neither the Issuers nor any Dealer has authorised the making of any Non-exempt Offer by any Offeror or consented to the use of this Base Prospectus by any other person in connection with any Non-exempt Offer of Notes. Any Non-exempt Offer made without the consent of the relevant Issuer is unauthorised and neither the relevant Issuer nor any Dealer accepts any responsibility or liability for the actions of the persons making any such unauthorised offer.**

In connection with each Tranche of Notes, and provided that the applicable Final Terms specifies an Offer Period:

- (a) the relevant Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of such Notes during the relevant Offer Period stated in the applicable Final Terms by the relevant Dealer and by:
  - (i) any financial intermediary named as an Offeror in the applicable Final Terms; and
  - (ii) any financial intermediary appointed after the date of the applicable Final Terms and whose name is published on Aegon's website (<http://www.aegon.com/en/Home/Investors/Managing-capital/Debt-Programs/>) and identified as an Offeror in respect of the relevant Non-exempt Offer;
- (b) if (and only if) Part B of the applicable Final Terms specifies "General Consent" as "Applicable", the relevant Issuer hereby offers to grant its consent to the use of this Base Prospectus (as supplemented

as at the relevant time, if applicable) in connection with a Non-exempt Offer of Notes during the relevant Offer Period stated in the applicable Final Terms by any financial intermediary which satisfies the following conditions:

- (i) it is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2014/65/EU); and
- (ii) it accepts the relevant Issuer's offer to grant consent to the use of this Base Prospectus by publishing on its website the following statement (with the information in square brackets completed with the relevant information):

*"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the **Notes**) described in the Final Terms dated [insert date] (the **Final Terms**) published by [Aegon N.V./Aegon Funding Company LLC] (the **Issuer**). We hereby accept the offer by the Issuer of its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in accordance with and subject to the conditions to such consent, each as specified in the Base Prospectus, and we are using the Base Prospectus accordingly."*

**Any Offeror falling within sub-paragraph (b) above who meets all of the other conditions stated above and wishes to use this Base Prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period specified in the applicable Final Terms, to publish on its website that it is relying on this Base Prospectus for such Non-exempt Offer with the consent of the relevant Issuer.**

#### ***Common Conditions to Consent***

The conditions to the relevant Issuer's consent to the use of this Base Prospectus in the context of the relevant Non-exempt Offer are (in addition to the conditions described in paragraph (b) above if Part B of the applicable Final Terms specifies "*General Consent*" as "*Applicable*") that such consent:

- (i) is only valid during the Offer Period specified in the applicable Final Terms;
- (ii) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Notes in the relevant Member States, as specified in the applicable Final Terms;
- (iii) the consent is subject to any other conditions set out in Part B of the applicable Final Terms; and
- (iv) is subject to the relevant financial intermediary complying with the relevant manufacturer's target market assessment and distribution channels identified under the "MiFID II product governance" legend set out in the applicable Final Terms.

The consent referred to above relates to relevant Offer Periods falling within 12 months from the date of this Base Prospectus. The Issuers accept responsibility, in the jurisdictions to which the consent to use the Base Prospectus extends, for the content of this Base Prospectus in relation to any Investor who acquires any Notes in a Non-exempt Offer made by any person to whom consent has been given to use this Base Prospectus in that connection in accordance with the preceding paragraph, provided that such Non-exempt Offer has been made in accordance with all the Conditions attached to that consent.

IN THE EVENT THAT AN INVESTOR INTENDS TO ACQUIRE OR IS ACQUIRING ANY NOTES IN A NON-EXEMPT OFFER FROM AN OFFEROR OTHER THAN THE ISSUER OR ANY DEALER IT WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO

ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. **THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION.** NONE OF THE ISSUERS OR ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.



## IMPORTANT INFORMATION

This Base Prospectus constitutes, when read together with the Registration Document (as defined below), a base prospectus for the purposes of Article 5.4 of the Prospectus Directive. This Base Prospectus is issued in replacement of a base prospectus dated 10 July 2018 and accordingly, supersedes that earlier base prospectus.

Each of the Issuers and the Guarantor accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of each of the Issuers and the Guarantor (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*"). This Base Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Base Prospectus.

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by each of the Issuers and the Guarantor in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by each of the Issuers and the Guarantor in connection with the Programme.

No person is or has been authorised by either of the Issuers or the Guarantor to give any information or to make any representation not contained in or not consistent with this Base Prospectus 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 either of the Issuers or the Guarantor or any of the Dealers.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes should be considered as a recommendation by either of the Issuers, the Guarantor or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of each Issuer and the Guarantor. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuers, the Guarantor or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning each of the Issuers and the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuers or the Guarantor during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

**IMPORTANT – EEA RETAIL INVESTORS** – If the Final Terms in respect of any Notes includes a legend entitled "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 (as amended, **MiFID II**), or (ii) a customer within the meaning of Directive 2016/97/EU (the **IDD**), 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 or superseded, the **Prospectus Directive**). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA will be 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 PRIPs 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 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.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the **Securities Act**) and 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 U.S. persons (see "*Subscription and Sale*").

**Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time** – Unless otherwise stated in the Final Terms in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of the Issuers, the Guarantor or the Dealers represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including the Netherlands, the United Kingdom and France) and Japan, see "*Subscription and Sale*".

The maximum aggregate principal amount of instruments outstanding at any one time under the Programme will not exceed USD 6,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into U.S. Dollars at the date of the agreement to issue such Notes calculated in accordance with the provisions of the Dealership Agreement). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealership Agreement as defined under "*Subscription and Sale*".

All references in this Base Prospectus to "USD" and "U.S. Dollars" are to the currency of the United States of America and all references herein to "EUR", "euro" and "€" are to the single currency of the European Union as introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended.

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES UNDER THE PROGRAMME, THE DEALER OR DEALERS (IF ANY) NAMED IN THE RELEVANT FINAL TERMS AS THE STABILISING MANAGER(S) (OR ANY PERSON ACTING FOR THE STABILISING MANAGER(S)) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

## DOCUMENTS INCORPORATED BY REFERENCE

The Issuers' registration document dated 10 July 2019 (the **Registration Document**) prepared in accordance with Article 5(3) of the Prospectus Directive was published on the date of this Prospectus and has been approved by the AFM in its capacity as competent authority under the Wft.

Notes issued by AFC are guaranteed by Aegon as Guarantor. Such Notes are the subject of a guarantee dated 2 September 2008, (as amended, supplemented or replaced from time to time, the **Guarantee**), entered into by the Guarantor.

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

- (a) the Registration Document, including the following document incorporated therein by reference (which has been published on the date of this Base Prospectus and has been approved by the AFM in its capacity of competent authority under the Wft);
  - (i) The Annual Reports for the years ended 31 December 2016 and 2017 and Integrated Annual Report for the year ended 31 December 2018 of Aegon N.V. as filed with the Chamber of Commerce, The Netherlands. The audited financial statements of Aegon N.V. for the years ended 31 December 2016, 2017 and 2018 form part of these (Integrated) Annual Reports;  
  
<https://www.aegon.com/contentassets/98a978b4ff104d2ba13ace3d030fcb51/aegon-annual-report-2016.pdf>  
  
<https://www.aegon.com/contentassets/01ff7a45578d4e5e8925d6c87b1a0d41/aegon-annual-report-2017.pdf>  
  
<https://www.aegon.com/contentassets/79a288251c844944933a1b189dc02d82/aegon-integrated-annual-report-2018.pdf>
  - (ii) Aegon's Solvency and Financial Condition Report 2018<sup>1</sup>:  
  
<https://www.aegon.com/contentassets/44095bac30594b779000c9c7dc02d7d0/aegon-group-sfcr-2018.pdf>
  - (iii) The Articles of Association (*statuten*) of Aegon as in force and effect on the date of the Registration Document;  
  
<https://www.aegon.com/contentassets/876f1bcc94024a61aa788a1d939d74d0/articles-of-association.pdf>
  - (iv) The limited liability company agreement (certificate of incorporation) of AFC as in force and effect on the date of the Registration Document;  
  
<https://www.aegon.com/globalassets/corporate-2018/governance/governance-documents/afc-certificate-of-incorporation.pdf>
  - (v) The charters of Aegon's Audit Committee and the Remuneration Committee;

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<sup>1</sup> The information included in the Solvency and Financial Condition Report (the **Solvency Report**) incorporated by reference in this Base Prospectus has been prepared by, and is the responsibility of Aegon N.V.'s management. PricewaterhouseCoopers Accountants N.V. has not audited, reviewed, compiled, or applied agreed-upon procedures with respect to the Solvency Report. Accordingly, PricewaterhouseCoopers Accountants N.V. does not express an opinion or any other form of assurance with respect thereto.

<https://www.aegon.com/contentassets/884c7ba9d6324dcd92884e1dffaafef71/sb-audit-committee-charter-november-2017.pdf>

<https://www.aegon.com/contentassets/05665070d6a14f01a5bd698800557b04/sb-remuneration-committee-charter-november-2017.pdf>

(vi) Press releases:

Aegon to grow capital generation and dividends:  
<https://www.aegon.com/globalassets/aegon-group-targets-english.pdf>

Aegon prices EUR 500 million Restricted Tier 1 securities:  
<https://www.aegon.com/contentassets/e0ced50e6f47436f82762edf26e989ea/pr-aegon-prices-eur-500-million-restricted-tier-1-securities.pdf>

Aegon calls USD 500 million in perpetual capital securities:  
<https://www.aegon.com/contentassets/0808addb34bb4ab788162916d0a039cf/pr-aegon-calls-usd-500-million-of-perpetual-securities.pdf>

Aegon to divest stake in partnership with Sony Life in Japan:  
<https://www.aegon.com/contentassets/9dc909cc9e0548a0a358e77d996a543b/pr-aegon-to-divest-stake-in-partnership-with-sony-life-in-japan.pdf>

Aegon announces purchase of shares to neutralize 2018 final stock dividend:  
<https://www.aegon.com/contentassets/ad9e3bfbb1fc43f3912fe0e58bbebde3/pr-purchase-of-shares-to-neutralize-stock-dividend-aegon.pdf>;

- (b) the [Guarantee](#);
- (c) the Terms and Conditions of the Notes contained in previous Base Prospectuses in relation to the Programme dated [17 December 2013](#), pages 36 to 65 (inclusive) and dated [15 April 2016](#), pages 35 to 69 (inclusive), prepared by Aegon in connection with the Programme<sup>2</sup>; and
- (d) to the extent they apply to Fixed Rate Notes and Floating Rate Notes, the Terms and Conditions of the Notes contained in the previous Base Prospectus in relation to the Programme dated [1 June 2006](#), pages 17 to 37 (inclusive), prepared by Aegon in connection with the Programme.

Any non-incorporated parts of a document referred to herein are either deemed by the Issuers and the Guarantor to be not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

Copies of the documents incorporated by reference can be obtained from the registered office of Aegon at Aegonplein 50, 2591 TV The Hague, The Netherlands and on [www.aegon.com](http://www.aegon.com) (the investor section (Publication) and in the Media section Press releases) and are available for viewing during normal business hours at the registered office also.

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<sup>2</sup> It may be necessary to use a drawdown prospectus for some issues of fungible notes.

Requests to inspect these documents during the life of this Base Prospectus can be made, free of charge, by writing or telephoning Aegon at:

Aegon Investor Relations

e-mail: [ir@aegon.com](mailto:ir@aegon.com)

P.O. Box 85

2501 CB The Hague

The Netherlands

Telephone number: +31 70 344 8305

Fax number: +31 70 344 8445

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which (subject to completion and minor amendment) will be applicable to each Series of Notes, provided that the relevant Final Terms in relation to any Notes may specify other Terms and Conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace the following Terms and Conditions for the purposes of such Notes:*

The Notes are issued in accordance with an amended and restated issue and paying agency agreement (the **Issue and Paying Agency Agreement**), which expression shall include any amendments or supplements thereto, dated 10 July 2019 and made between Aegon N.V. (**Aegon**), Aegon Funding Company LLC (**AFC**) (each an **Issuer**), Aegon N.V. as **Guarantor**, Citibank, N.A., London Branch in its capacities as fiscal agent (the **Fiscal Agent**, which expression shall include any successor to Citibank, N.A., London Branch in its capacity as such) and as principal registrar (the **Principal Registrar**, which expression shall include any successor to Citibank, N.A., London Branch in its capacity as such), The Bank of New York Mellon (Luxembourg) S.A. in its capacity as first alternative registrar (the **First Alternative Registrar**, which expression shall include any successor to The Bank of New York Mellon (Luxembourg) S.A. in its capacity as such), Citibank, N.A., New York Branch in its capacity as second alternative registrar (the **Second Alternative Registrar**, which expression shall include any successor to Citibank, N.A., New York Branch in its capacity as such) and the Paying Agents named therein (the **Paying Agents**, which expression shall include the Fiscal Agent and any substitute or additional Paying Agents appointed in accordance with the Issue and Paying Agency Agreement). Any Notes issued by AFC are guaranteed by Aegon as Guarantor. Such Notes are the subject of a guarantee dated 2 September 2008 (as amended, supplemented or replaced from time to time, the **Guarantee**) entered into by the Guarantor. Copies of the Issue and Paying Agency Agreement and the Guarantee are available for inspection at the specified office of each of the Paying Agents, the Principal Registrar, the First Alternative Registrar and the Second Alternative Registrar. All persons from time to time entitled to the benefit of obligations under any Notes shall be deemed to have notice of, and shall be bound by, all of the provisions of the Issue and Paying Agency Agreement and the Guarantee insofar as they relate to the relevant Notes.

The Notes are issued in series (each, a **Series**), and each Series may comprise one or more tranches (**Tranches** and each, a **Tranche**) of Notes. Each Tranche will be the subject of the Final Terms (each, the Final Terms), a copy of which will, in the case of a Tranche in relation to which application has been made for admission to Euronext in Amsterdam be lodged with Euronext Amsterdam N.V. (**Euronext Amsterdam**) and will be available for inspection at the specified office of the Fiscal Agent or, as the case may be, the Registrar (as defined in Condition 2.2).

References in these Terms and Conditions to **Notes** are to Notes of the relevant Series and any references to **Coupons** are to Coupons relating to Notes of the relevant Series. Provisions between square brackets referring to the Guarantor and the Guarantee shall only apply to Notes issued by AFC.

### 1. FORM AND DENOMINATIONS

- 1.1 Notes issued by Aegon are in bearer or registered form as specified in the relevant Final Terms.
- 1.2 Notes issued by AFC are (only) in registered form.

#### Form of Bearer Notes

- 1.3 Each Tranche of Notes issued by Aegon in bearer form (**Bearer Notes**) will be initially issued in the form of a temporary global note (a **Temporary Global Note**) which will:
  - (i) if the Global Notes are intended to be issued in new global note (**NGN**) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a

common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, S.A. (**Clearstream, Luxembourg**);

- (ii) if the Global Notes are not intended to be issued in NGN Form, be delivered on or prior to the original issue date of the Tranche to (i) a common depositary (the **Common Depositary**) for, Euroclear and Clearstream, Luxembourg, (ii) Nederlands Centraal Instituut voor giraal Effectenverkeer B.V. (**Euroclear Nederland**) and/or (iii) any other relevant clearing system, as the case may be.

1.4 In the case of an exchange for Notes in registered form (**Registered Notes**) at any time and without any requirement for certification, but otherwise on or after the date (the **Exchange Date**) which is 40 days after the completion of the distribution of the Notes of the relevant Tranche and provided certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in substantially the form set out in the Temporary Global Note or in such other form as is customarily issued in such circumstances by the relevant clearing systems) has been received, interests in the Temporary Global Note may be exchanged for:

- (a) interests in a permanent global note (a **Permanent Global Note**) representing the Notes of that Tranche; or
- (b) if so specified in the relevant Final Terms, serially numbered definitive Notes (**Definitive Notes**) and/or (in the case of a Series comprising both Bearer Notes and Registered Notes and if so specified in the relevant Final Terms) Registered Notes.

1.5 If any date on which a payment of interest is due on the Notes of a Tranche occurs whilst any of the Notes of that Tranche are represented by a Temporary Global Note, the related interest payment will be made on the Temporary Global Note only to the extent that certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in substantially the form set out in the Temporary Global Note or in such other form as is customarily issued in such circumstances by the relevant clearing systems) has been received by Euroclear or Clearstream, Luxembourg or any other relevant clearing system. Payments of amounts due in respect of a Permanent Global Note will be made through Euroclear or Clearstream, Luxembourg or any other relevant clearing system without any requirement for certification.

1.6 Interests in a Permanent Global Note will be exchanged by Aegon in whole (but not in part only), at the option of the Holder of such Permanent Global Note, for serially numbered Definitive Notes and/or (in the case of a Series comprising both Bearer and Registered Notes and if so specified in the relevant Final Terms) Registered Notes, (a) if any Note of the relevant Series becomes due and repayable following an Event of Default (as defined herein); or (b) if either Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of public holidays) or announces an intention to cease business permanently; or (c) if so specified in the Final Terms, at the option of the Holder of such Permanent Global Note upon such Holder's request. An event of the type described in points (a) and (b) of the preceding sentence is referred to as an **Exchange Event**. In order to exercise the option contained in point (c) of the preceding sentence, the Holder must, not less than 45 days before the date upon which the delivery of such Definitive Notes and/or Registered Notes is required, deposit the relevant Permanent Global Note with the Fiscal Agent at its specified office with the form of exchange notice endorsed thereon duly completed. If default is made by Aegon in the required delivery of Definitive Notes and/or Registered Notes and such default is continuing at 6.00 p.m. (London time) on the 30th day after the day on which the relevant notice period expires or, as the case may be, such Permanent Global Note becomes so exchangeable, such Permanent Global Note will become void in accordance with its terms but without prejudice to the rights of the accountholders with Euroclear or Clearstream, Luxembourg or any other relevant clearing system in relation thereto.



- 1.7 Interest-bearing Definitive Notes will, if so specified in the relevant Final Terms, have attached thereto at the time of their initial delivery coupons (**Coupons**), presentation of which will be a prerequisite to the payment of interest in certain circumstances specified below. Interest-bearing Definitive Notes will also, if so specified in the relevant Final Terms, have attached thereto at the time of their initial delivery, a talon (**Talon**) for further coupons and the expression **Coupons** shall, where the context so requires, include Talons.

### **Form of Registered Notes**

- 1.8 Registered Notes will be in substantially the form (subject to amendment and completion) scheduled to the Issue and Paying Agency Agreement. Registered Notes will not be exchangeable for Bearer Notes. Registered Notes in global form will be deposited with a common depositary or, if the Registered Notes are to be held under the new safe-keeping structure (the **NSS**), a Common Safekeeper, as the case may be for Euroclear and Clearstream, Luxembourg, and registered in the name of the nominee for the Common Depositary of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the Common Safekeeper, as specified in the relevant Final Terms.

### **Denomination and Minimum Issue Size**

- 1.9 Denominations of the Notes are subject to any changes in applicable legal and/or regulatory requirements. Subordinated Notes will have a minimum denomination of at least EUR 100,000 (or its equivalent in any other currency).

### **Denomination of Bearer Interests**

- 1.10 Subject as provided in Condition 1.9, Bearer Notes will be in the denomination or denominations (each of which denomination must be integrally divisible by each smaller denomination) specified in the relevant Final Terms. Bearer Notes of one denomination will not be exchangeable, after their initial delivery, for Bearer Notes of any other denomination.

### **Denomination of Registered Notes**

- 1.11 Subject as provided in Condition 1.9, Registered Notes will be in the minimum denomination specified in the relevant Final Terms or integral multiples thereof.

### **Currency of Notes**

- 1.12 Notes may be denominated in any currency specified in the relevant Final Terms subject to compliance with all applicable legal or regulatory requirements.
- 1.13 For the purposes of these Terms and Conditions, references to Notes shall, as the context may require, be deemed to be to Temporary Global Notes, Permanent Global Notes, Definitive Notes or, as the case may be, Registered Notes.

## **2. TITLE**

- 2.1 Title to Bearer Notes and Coupons passes by delivery. References herein to the **Holders** of Bearer Notes or of Coupons are to the bearers of such Bearer Notes or such Coupons.
- 2.2 Title to Registered Notes passes by registration in the register which is kept by the Principal Registrar, the First Alternative Registrar or, as the case may be, the Second Alternative Registrar, as specified in the relevant Final Terms. For the purposes of these Terms and Conditions, **Registrar** means, in relation to any Series comprising Registered Notes, the Principal Registrar, the First Alternative Registrar or, as the case may be, the Second Alternative Registrar. References herein to

the **Holders** of Registered Notes are to the persons in whose names such Registered Notes are so registered in the relevant register.

- 2.3 The Holder of any Bearer Note, Coupon or Registered Note will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder.

#### **Transfer of Registered Notes and exchange of Bearer Notes for Registered Notes**

- 2.4 A Registered Note may, upon the terms and subject to the conditions set forth in the Issue and Paying Agency Agreement, be transferred in whole or in part only (provided that such part is, or is an integral multiple of, the minimum denomination specified in the relevant Final Terms) upon the surrender of the Registered Note to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar. A new Registered Note will be issued to the transferee and, in the case of a transfer of part only of a Registered Note, a new Registered Note in respect of the balance not transferred will be issued to the transferor.
- 2.5 If so specified in the relevant Final Terms, the Holder of Bearer Notes may exchange the same for the same aggregate principal amount of Registered Notes upon the terms and subject to the conditions set forth in the Issue and Paying Agency Agreement. In order to exchange a Bearer Note for a Registered Note, the Holder thereof shall surrender such Bearer Note at the specified office outside the United States of the Fiscal Agent or of the Registrar together with a written request for the exchange. Each Bearer Note so surrendered must be accompanied by all unmatured Coupons appertaining thereto other than the Coupon in respect of the next payment of interest falling due after the exchange date (as defined in Condition 2.6) where the exchange date would, but for the provisions of Condition 2.6, occur between the Record Date (as defined in Condition 9B.03) for such payment of interest and the date on which such payment of interest falls due.
- 2.6 Each new Registered Note to be issued upon the transfer of a Registered Note or the exchange of a Bearer Note for a Registered Note will, within three Relevant Banking Days of the transfer date or, as the case may be, the exchange date be available for delivery at the specified office of the Registrar. For these purposes, a form of transfer or request for exchange received by the Registrar or the Fiscal Agent after the Record Date (as defined in Condition 9B.03) in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by the Registrar or the Fiscal Agent until the day following the due date for such payment.

For the purposes of these Terms and Conditions:

- (a) **Relevant Banking Day** means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place where the specified office of the Registrar is located and, in the case only of an exchange of a Bearer Note for a Registered Note where such request for exchange is made to the Fiscal Agent, in the place where the specified office of the Fiscal Agent is located;
- (b) the **exchange date** shall be the Relevant Banking Day following the day on which the relevant Bearer Note shall have been surrendered for exchange in accordance with Condition 2.5; and
- (c) the **Transfer date** shall be the Relevant Banking Day following the day on which the relevant Registered Note shall have been surrendered for transfer in accordance with Condition 2.4 and all reasonable requirements of the Issuer and the Registrar shall have been satisfied in respect of such transfer.

- 2.7 The issue of new Registered Notes on transfer or on the exchange of Bearer Notes for Registered Notes will be effected without charge by or on behalf of the relevant Issuer or the Registrar, but upon payment by the applicant of (or the giving by the applicant of such indemnity as the relevant Issuer or the Registrar may require in respect of) any tax, duty or other governmental charges which may be imposed in relation thereto.
- 2.8 Upon the transfer, exchange or replacement of Registered Notes bearing the private placement legend (the **Private Placement Legend**) set forth in the form of Registered Note scheduled to the Issue and Paying Agency Agreement, the Registrar shall deliver only Registered Notes that also bear such legend unless either (a) such transfer, exchange or replacement occurs three or more years after the later of (i) the original issue date of such Notes or (ii) the last date on which the Issuer or any affiliates (as defined below) of the Issuer as notified to the Registrar by the Issuer as provided in the following sentence, was the beneficial owner of such Note (or any predecessor of such Note) or (b) there is delivered to the Registrar an opinion reasonably satisfactory to the Issuer of counsel experienced in giving opinions with respect to questions arising under the securities laws of the United States to the effect that neither such legend nor the restrictions on transfer set forth therein are required in order to maintain compliance with the provisions of such laws.
- 2.9 For so long as any of the Registered Notes bearing the Private Placement Legend remain outstanding and are **restricted securities** within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer covenants and agrees that it shall, during any period in which it is not subject to Section 13 or 15(d) under the United States Securities Exchange Act of 1934 nor exempt from reporting pursuant to Rule 12g3-2(b) under such Act, make available to any Holder of such Notes in connection with any sale thereof and any prospective purchaser of such Notes from such Holder, in each case upon request, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.

### 3. STATUS AND GUARANTEE

- 3.1 This Condition 3.1 is applicable in relation to Notes specified in the relevant Final Terms as being unsubordinated or not specified as being subordinated (**Senior Notes**).

The Senior Notes constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and will rank at least *pari passu* without any preference among themselves and (subject to such exceptions as from time to time exist under applicable law) with all other outstanding, unsecured and unsubordinated obligations of the Issuer, present and future.

- 3.2 This Condition 3.2 is applicable in relation to Notes specified in the relevant Final Terms as being subordinated (**Subordinated Notes**). Subordinated Notes are issued only by Aegon.

The obligations represented by the Subordinated Notes will be unsecured obligations of the Issuer ranking *pari passu* without any preference among themselves and will, in the event of the bankruptcy, winding-up, moratorium (*faillissement, vereffening na ontbinding* or *surseance van betaling*) of the Issuer be subordinated in right of payment to the prior payment in full of all Senior Debt of the Issuer, present and future, but will rank senior to all classes of share capital of the Issuer and to any Junior Subordinated Indebtedness.

For the purposes of this Condition 3.2:

**Junior Subordinated Indebtedness** means any Subordinated Indebtedness that ranks or is expressed to rank junior to the Subordinated Notes, including but not limited to, the Issuer's \$250,000,000 Floating Rate Perpetual Capital Securities issued on 23 November 2005 (ISIN: NL0000062438), USD 1,000,000,000 6.375% Perpetual Capital Securities issued on 1 June 2005 (ISIN: NL0000021541), Euro 950,000,000 Perpetual Capital Securities issued on 15 July 2004 and

15 October 2004 (ISIN: NL0000116150), USD 500,000,000 Perpetual Capital Securities issued on 15 July 2004 and 15 October 2004 (ISIN: NL0000116168) and EUR 500,000,000 Perpetual Contingent Convertible Securities issued on 4 April 2019 (ISIN: XS1886478806).

**Senior Debt** means the principal of and premium, if any, and interest on any Indebtedness of the Issuer currently outstanding or to be issued hereafter unless such Indebtedness, by the terms of the Note by which it is created or evidenced, is not senior in right of payment to the Subordinated Notes to which this Condition 3.2 applies. The Issuer's outstanding Subordinated Indebtedness will not be considered Senior Debt.

**Subordinated Indebtedness** means any Indebtedness of the Issuer the right to payment of which is, or is expressed to be, or is required by any present or future agreement of the Issuer to be, subordinated in the event of the bankruptcy, winding-up, moratorium (*faillissement, vereffening na ontbinding* or *surseance van betaling*) of the Issuer.

**Indebtedness** means all indebtedness for money borrowed that is created, assumed, incurred or guaranteed in any manner or for which the Issuer is otherwise responsible or liable.

By virtue of the above subordination:

- (a) all payments to Holders of Subordinated Notes will, in the event of the bankruptcy, winding-up or moratorium (*faillissement, vereffening na ontbinding* or *surseance van betaling*) of the Issuer only be made after, and any set off by any Holder of such Subordinated Notes shall be excluded until, all Senior Debt admissible in any such bankruptcy, winding-up or moratorium (*faillissement, vereffening na ontbinding* or *surseance van betaling*) of the Issuer has been satisfied in full following which the obligations in respect of the Subordinated Notes shall rank at least *pari passu* with all other Subordinated Indebtedness; and
- (b) creditors of the Issuer who are not holders of Senior Debt may, subject to any subordination provisions that may be applicable to such creditors, recover more rateably than Holders of the Subordinated Notes.

The Subordinated Notes of a Series may qualify as either tier 2 basic own-funds (**Tier 2 Notes**) or tier 3 basic own-funds (**Tier 3 Notes**), in each case as determined by the Relevant Supervisory Authority from time to time, as specified in the applicable Final Terms.

### 3.3 Guarantee

The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums and the delivery of all amounts expressed to be payable or deliverable by AFC under the Notes and Coupons. Its obligations in that respect are contained in the Guarantee.

The obligations of the Guarantor under the Guarantee are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Guarantor and rank and will rank *pari passu* among themselves and (subject as foresaid and to certain statutory exceptions) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor from time to time outstanding.

## 4. NEGATIVE PLEDGE

So long as any of the Notes remains outstanding (as defined in the Issue and Paying Agency Agreement), the Issuer and the Guarantor will procure that no loan or other indebtedness in respect of borrowed moneys having an original maturity of more than two years or any guarantee in respect of any such indebtedness, in each case now or hereafter existing, will be secured upon any of the

present or future assets or revenues of the Issuer and the Guarantor or any of its Subsidiaries unless it shall, simultaneously with or prior to the creation of such security, take any and all action necessary to procure that the same security (or other security acceptable to the Holders of Notes) is accorded to the Holders of Notes other than Holders of Subordinated Notes as referred to in Condition 3.2, except that the foregoing shall not apply to (a) security created over any shares in or any securities owned by any Subsidiaries which are not Insurance Subsidiaries, (b) security created in the normal course of the relevant insurance business carried on in a manner consistent with generally accepted insurance practice for such insurance business, (c) security or preference arising by operation of any law, (d) security over real property to secure borrowings to finance the purchase or improvement of such real property, (e) security over assets existing at the time of acquisition thereof, and (f) security not otherwise permitted by the foregoing clauses securing borrowed moneys in an aggregate principal amount not to exceed 50 per cent. of the Group's borrowed moneys with an original maturity of more than two years.

In these Terms and Conditions, **Subsidiary** means any corporation, partnership or other business entity of which more than 50 per cent. of the shares or other equity interests (as the case may be) carrying the right to vote are, directly or indirectly, owned by the Issuer or the Guarantor; **Insurance Subsidiary** means any Subsidiary, (i) the principal activity of which is insurance business, and (ii) the gross premium income of which as shown by the latest audited profit and loss account is more than 10 per cent. of the total gross premium income of the Group as shown by the latest audited consolidated profit and loss account of the Group; and **Group** means the Issuer and the Guarantor and its Subsidiaries from time to time.

## 5. INTEREST

Notes may be interest-bearing or non interest-bearing, as specified in the relevant Final Terms. In the case of non interest-bearing Notes, a Reference Price and Accrual Yield will, unless otherwise agreed, be specified in the relevant Final Terms. In the case of interest-bearing Notes, the interest rate may change from Fixed Rate to Floating Rate and from Floating Rate to Fixed Rate. The Final Terms in relation to each Tranche of interest-bearing Notes shall specify which of Condition 5A and/or 5B shall be applicable and Condition 5C will be applicable to each Tranche of interest-bearing Notes as specified therein save, in each case, to the extent inconsistent with the relevant Final Terms. Condition 5D shall be applicable to any Subordinated Notes. In relation to any Tranche of interest-bearing Notes, the relevant Final Terms may specify actual amounts of interest payable rather than, or in addition to, a rate or rates at which interest accrues.

### 5A(I) Interest – Fixed Rate

Subject to Condition 5D (in relation to Subordinated Notes only), each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, **Fixed Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (i) in the case of Fixed Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Fixed Rate Notes represented by such Global Note or (B) such Registered Notes; or
- (ii) in the case of Fixed Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount, as applicable, to the aggregate outstanding nominal account of Fixed Rate Notes which are Registered Notes in definitive form or Calculation Amount in the case of Fixed Rate Notes which are Bearer Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

**Day Count Fraction** means, in respect of the calculation of an amount of interest, in accordance with this Condition 5A(I):

if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:

- (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
- (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
  - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
  - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

if "30/360" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Terms and Conditions:

**Determination Period** means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

**sub-unit** means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

## **5A(II) Interest – Fixed Reset Rate**

### *(i) Accrual of interest*

Subject to Condition 5D (in relation to Subordinated Notes only), each Fixed Reset Note bears interest:

- (A) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the rate per annum equal to the Initial Interest Rate;
- (B) from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if none, the Maturity Date (the **First Reset Period**) at the rate per annum equal to the First Reset Rate; and
- (C) if applicable, from (and including) the Second Reset Date to (but excluding) the first Subsequent Reset Date (if any), and each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date (if any) or, if none, the Maturity Date (each a **Subsequent Reset Period**) at the rate per annum equal to the relevant Subsequent Reset Rate,

(in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) (each a **Rate of Interest**) payable, in each case, in arrear on the Interest Payment Date(s) in each year up to and including the Maturity Date.

Once the Rate of Interest is determined for a Reset Period, the provisions of Condition 5A(I) shall apply to Fixed Reset Notes, as applicable, as if the Fixed Reset Notes were Fixed Rate Notes.

Notwithstanding any other provision of this section, no Mid-Swap Rate Quotation will be obtained, nor will any other amendment to the terms of any series of Subordinated Notes be made, if and to the extent that, as determined by the Issuer, the same could reasonably be expected to prejudice the qualification of the Subordinated Notes as at least the category of basic own funds as specified in the applicable Final Terms or otherwise result in a violation of the Capital Adequacy Regulations. In such case, the Rate of Interest shall be equal to the Rate of Interest as at the last preceding Reset Determination Date (though substituting, where a different Reset Margin is to be applied to the relevant Interest Period from the margin which applied to the last preceding Interest Period, the Reset Margin relating to the relevant Interest Period in place of the margin relating to that last preceding Interest Period).

The provisions of Condition 5B(iii) relating to Benchmark Replacement apply *mutatis mutandis* to Fixed Reset Notes.

In this Condition 5A(II):

**First Reset Rate** means the sum of the Reset Margin and the Mid-Swap Rate for the First Reset Period;

**Fixed Reset Rate Relevant Screen Page** means the display page on the relevant service (including, without limitation, Reuters) as specified in the applicable Final Terms or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Fiscal Agent, for the purpose of displaying the relevant swap rates for swap transactions in the Specified Currency with an equivalent maturity to the Reset Period;

**Initial Interest Rate** means the rate specified in the applicable Final Terms;

**Initial Mid-Swap Rate** means the rate specified in the applicable Final Terms;

**Mid-Swap Rate** means, in relation to a Reset Date and the Reset Period commencing on that Reset Date, the rate for the Reset Date of, in the case of semi-annual or annual Interest Payment Dates, the semi-annual or annual swap rate, respectively (with such semi-annual swap rate to be converted to a quarterly rate in accordance with market convention, in the case of quarterly Interest Payment Dates) for swap transactions in the Specified Currency maturing on the last day of such Reset Period, adjusted by any necessary adjustment factor to make it comparable to a swap where the floating leg is equivalent to EURIBOR or LIBOR, as applicable, expressed as a percentage, which appears on the Fixed Reset Rate Relevant Screen Page as of approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date. If such rate does not appear on the Fixed Reset Rate Relevant Screen Page, the Mid-Swap Rate for the Reset Date will be the Reset Reference Bank Rate for the Reset Period;

**Mid-Swap Rate Quotations** means, in relation to a Reset Date and the Reset Period commencing on that Reset Date, the rate for the Reset Date of, in the case of semi-annual or annual Interest Payment Dates, the semi-annual or annual swap rate, respectively (with such semi-annual swap rate to be converted to a quarterly rate in accordance with market convention, in the case of quarterly Interest Payment Dates) for swap transactions where the floating leg is equivalent to EURIBOR or LIBOR, as applicable, in the Specified Currency maturing on the last day of such Reset Period, expressed as a percentage, offered by the Reference Banks or to the extent that an industry-accepted substitute or successor rate for the floating leg of such swap transaction has been established (as determined by the Issuer in its sole discretion), the quotations shall be adjusted as follows. If the Issuer has determined that a substitute or successor rate for the floating leg of swap transactions should apply in accordance with the foregoing, it will notify the Fiscal Agent in writing and the Fiscal Agent will request each Reference Bank to adjust such swap rate quotation to include any necessary adjustment factor that is necessary to make the swap rate quotation comparable to a swap rate quotation based on swap transactions where the floating leg is equivalent to EURIBOR or LIBOR, as applicable, in the Specified Currency maturing on the last day of such Reset Period;

**Reference Banks** means five leading swap dealers in the interbank market for swap transactions in the Specified Currency with an equivalent maturity to the Reset Period as selected by the Issuer;

**Representative Amount** means an amount that is representative for a single transaction in the relevant market at the relevant time;

**Reset Date** means the First Reset Date, the Second Reset Date and each Subsequent Reset Date, as applicable;

**Reset Determination Date** means the date specified in the applicable Final Terms;

**Reset Determination Time** means the time specified in the applicable Final Terms;



**Reset Margin** means the margin specified in the applicable Final Terms;

**Reset Period** means the First Reset Period or any Subsequent Reset Period, as the case may be;

**Reset Reference Bank Rate** means, in relation to a Reset Date and the Reset Period commencing on that Reset Date, a percentage equal to the arithmetic mean (expressed as a percentage and rounded, if necessary, to the nearest 0.0001 per cent. (0.00005 per cent. being rounded upwards)) of the Mid-Swap Rate Quotations provided by the Reference Banks at approximately the Reset Determination Time on the Reset Determination Date to participants in the swap market for the Specified Currency with an equivalent maturity to the Reset Period all as determined by the Fiscal Agent. If at least three Mid-Swap Rate Quotations are provided, the rate for the Reset Date will be the arithmetic mean of the Mid-Swap Rate Quotations, eliminating the highest Mid-Swap Rate Quotations (or, in the event of equality, one of the highest) and the lowest Mid-Swap Rate Quotations (or, in the event of equality, one of the lowest). If only two Mid-Swap Rate Quotations are provided, it will be the arithmetic mean of the Mid-Swap Rate Quotations provided. If only one Mid-Swap Rate Quotations is provided, it will be the Mid-Swap Rate Quotations provided. If no Mid-Swap Rate Quotations are provided, the Mid-Swap Rate will be the Mid-Swap Rate for the immediately preceding Reset Period or, if none, the Initial Mid-Swap Rate; and

**Subsequent Reset Rate** means the sum of the applicable Mid-Swap Rate and the Reset Margin as determined by the Fiscal Agent on the relevant Reset Determination Date.

*(ii) Notification of First Reset Rate of Interest, Subsequent Reset Rate of Interest and Interest Amount*

The Fiscal Agent will cause the First Reset Rate of Interest, any Subsequent Reset Rate of Interest and, in respect of a Reset Period, the Interest Amount payable on each Interest Payment Date falling in such Reset Period to be notified to the Issuer and any stock exchange on which the relevant Fixed Reset Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Fixed Reset Notes are for the time being listed and to the Holders in accordance with Condition 14. For the purposes of this paragraph, the expression London Business Day means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

*(iii) Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5A(II), whether by the Fiscal Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error or proven error) be binding on the Issuer, the Guarantor, the Fiscal Agent, the Calculation Agent (if applicable), the other Agents, the Holders of Notes or the Coupons and (in the absence wilful default or bad faith) no liability to the Issuer, the Guarantor, the Holders of Notes or Coupons shall attach the Fiscal Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

## **5B Interest – Floating Rate**

*(i) Interest Payment Dates*

Subject to Condition 5D (in relation to Subordinated Notes only), each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

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

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

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

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

In these Terms and Conditions, **Business Day** means a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation and any Additional Business Centre specified in the applicable Final Terms; and
- (B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and

are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET 2) System (the **TARGET 2 System**) is open.

(ii) *Rate of Interest*

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

(A) *ISDA Determination for Floating Rate Notes*

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

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate (**LIBOR**) or on the Euro-zone inter-bank offered rate (**EURIBOR**), the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

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

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(B) *Screen Rate Determination for Floating Rate Notes*

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

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at the Specified Time on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Fiscal Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Fiscal Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available, or if no offered quotation appears or fewer than three offered quotations appear, in each case as at the Specified Time, the Fiscal Agent shall request each of the Reference Banks to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question, as adjusted by any necessary adjustment factor to make it comparable with the Reference Rate as specified in the applicable Final Terms or, to the extent that an Alternative Benchmark Rate (as defined below) has been determined by the Issuer, such Alternative Benchmark Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Fiscal Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Fiscal Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Fiscal Agent with an offered quotation as provided in the preceding paragraph and no successor rate is used, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Fiscal Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Fiscal Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the relevant inter-bank market (London if the Reference Rate is LIBOR or the Euro-zone if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Fiscal Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Fiscal Agent it is quoting to leading banks in the relevant inter-bank market (London if the Reference Rate is LIBOR or the Euro-zone if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any). If on the Interest Determination Date, the Reference Rate has been discontinued or is unavailable and the Issuer has determined that no Alternative Benchmark Rate (as defined below) is available, the Reference Rate for that Interest Determination Date will be the last observable rate which appears on the Screen Page, as determined by the Fiscal Agent.

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

For the purposes of this sub-paragraph (B):

**Reference Banks** means, the principal office of four major banks in the relevant inter-bank market (London if the Reference Rate is LIBOR or the Euro-zone if the Reference Rate is EURIBOR), in each case selected by the Fiscal Agent in consultation with the Issuer and in the case of a determination of a Reference Rate that is not LIBOR or EURIBOR, the principal office of four major banks in the inter-bank market of the Relevant Financial Centre;

**Specified Time** means 11.00 a.m. (London time, in the case of a determination of LIBOR, or Brussels time, in the case of a determination of EURIBOR or Relevant Financial Centre time in the case of a determination of any other Reference Rate).

(iii) *Benchmark Replacement*

Notwithstanding the provisions above in this Condition 5(B), if a Benchmark Event occurs in relation to the Original Reference Rate, then the following provisions shall apply:

- I. the Issuer shall use reasonable endeavours to appoint an independent financial institution of international repute or an independent financial advisor with appropriate expertise (the **Independent Adviser**) to determine an alternative rate (the **Alternative Benchmark Rate**) and an alternative screen page or source (the **Alternative Screen Page**) no later than three Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period (the **IA Determination Cut-off Date**) for purposes of determining the Original Reference Rate for all future Interest Periods (subject to the subsequent operation of this Condition 5B(iii));
- II. the Alternative Benchmark Rate shall be such rate as the Independent Adviser determines has replaced the Original Reference Rate or, if the Independent Adviser determines that there is no such rate, such other rate as the Independent Adviser determines is most comparable to the Original Reference Rate, and the Alternative Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate;
- III. if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine an Alternative Benchmark Rate and Alternative Screen Page prior to the IA Determination Cut-off Date in accordance with Condition 5B(iii)(II) above, then the Issuer (in consultation with the Fiscal Agent or the Independent Adviser where appointed but unable to determine whether an Alternative Benchmark Rate is available and acting in good faith and a commercially reasonable manner) may determine which (if any) rate has replaced the Original Reference Rate or, if it determines that there is no such rate, which (if any) rate is most comparable to the Original Reference Rate, and the Alternative Benchmark Rate shall be the rate so determined by the Issuer and the Alternative Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate; provided, however, that if this Condition 5B(iii)(III) applies and the Issuer is unable or unwilling to determine an Alternative

Benchmark Rate and Alternative Screen Page prior to the Interest Determination Date relating to the next succeeding Interest Period in accordance with this Condition 5B(iii)(III), the Original Reference Rate applicable to such Interest Period shall be equal to (i) in respect of the Reset Period commencing on the First Reset Date and, for as long as no Alternative Benchmark Rate and Alternative Screen Page has been determined in accordance with this Condition 5B(iii), each subsequent Reset Period, the Original Reference Rate as determined on the pricing date of the Notes and (ii) in respect of any other Interest Period, the Original Reference Rate in respect of the immediately preceding Interest Period;

- IV. if an Alternative Benchmark Rate and Alternative Screen Page is determined in accordance with the preceding provisions, such Alternative Benchmark Rate and Alternative Screen Page shall be the Original Reference Rate and the Screen Page in relation to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 5B(iii));
- V. if the Independent Adviser or the Issuer in consultation with the Independent Adviser determines an Alternative Benchmark Rate in accordance with the above provisions, the Independent Adviser or the Issuer in consultation with the Independent Adviser (as the case may be), may also determine any necessary changes to the Alternative Benchmark Rate, the day count fraction, the business day convention, the Business Days and/or the Interest Determination Date applicable to the Notes (including any necessary adjustment factor that is necessary to make Alternative Benchmark Rate comparable with the Original Reference Rate as specified in the applicable Final Terms), and the method for determining the fall-back rate in relation to the Notes, in order to follow market practice in relation to the Alternative Benchmark Rate, which changes shall be deemed to apply to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 5B(iii)); and
- VI. the Issuer shall, promptly following the determination of any Alternative Benchmark Rate and Alternative Screen Page, give notice thereof and of any changes which are deemed to apply to the Notes pursuant to Condition 5B(iii)(V) above in accordance with Condition 14 (*Notices*) to the Holders, to the Fiscal Agent and to each listing authority and/or stock exchange (or listing agent as the case may be) by which the Notes have then been admitted to listing and trading.

In respect of Subordinated Notes, if the operation of the above provisions would cause the Subordinated Notes to cease qualifying as at least the category of basic own funds as specified in the applicable Final Terms by reason of the level of the substitute or successor rate (as confirmed by a certificate signed by two (2) of the Issuer's directors), the Margin will be adjusted to such extent as is necessary (as confirmed by the same certificate signed by two (2) of the Issuer's directors) to ensure continued qualification as at least the category of basic own funds as specified in the applicable Final Terms, provided that the Margin shall never be negative. Furthermore, notwithstanding any other provision of this Condition 5B(ii) or 5B(iii), no substitute or successor rate will be adopted, nor will any other amendment to

the terms of the Subordinated Notes be made, if and to the extent that, as confirmed by a certificate signed by two (2) of the Issuer's directors, the same would cause the Subordinated Notes to cease qualifying as at least the category of basic own funds as specified in the applicable Final Terms of the Issuer or as other equivalent regulatory capital of the Issuer under the Capital Adequacy.

Any certificate referred to above signed by two (2) of the Issuer's directors shall, in the absence of manifest error, be treated and accepted by the Issuer, the Holders and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent shall be entitled to rely on such certificate without liability to any person.

**Benchmark Event** means:

- (A) the Original Reference Rate ceasing be published for a period of at least 5 Business Days or ceasing to exist; or
- (B) a public statement by the administrator of the Original Reference Rate that it will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (C) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the Original Reference Rate that means that the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months; or
- (E) it has become unlawful for any the Fiscal Agent or any Paying Agent, the Issuer or other party to calculate any payments due to be made to any Holder of the Notes using the Original Reference Rate.

**Original Reference Rate** means the benchmark or screen rate (as applicable) originally specified in the relevant Final Terms for the purpose of determining the relevant Rate of Interest (or any relevant component part(s) thereof) on the Notes.

(iv) *Minimum Rate of Interest and/or Maximum Rate of Interest*

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

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

(v) *Determination of Rate of Interest and calculation of Interest Amounts*

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

The Fiscal Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 5B:

- (i) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if "Actual/365 (Sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

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



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

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

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

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

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

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

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

where:

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

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

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

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

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

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

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

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

where:

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

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

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

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

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

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

(vi) *Notification of Rate of Interest and Interest Amounts*

The Fiscal Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Holders in accordance with Condition 14. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(vii) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5B, whether by the Fiscal Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error or proven error) be binding on the Issuer, the Guarantor, the Fiscal Agent, the Calculation Agent (if applicable), the other Agents and all Holders of Notes and Coupons and (in the absence of wilful default or bad faith) no liability to the Issuer, the Guarantor, the Holders of Notes or Coupons shall attach to the Fiscal Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

## 5C **Accrual of Interest**

Subject to Condition 5D (in relation to Subordinated Notes only), interest shall accrue on the principal amount of each Note. Interest will cease to accrue as from the due date for redemption therefor unless upon (except in the case of any payment where presentation and/or surrender of the relevant Note is not required as a precondition of payment) due presentation or surrender thereof, payment in full of the principal amount or, as the case may be, redemption amount is improperly withheld or refused or default is otherwise made in the payment thereof in which case interest shall continue to accrue thereon (as well after as before any demand or judgment) at the rate then applicable to the principal amount of the Notes or such other rate as may be specified in the relevant

Final Terms until the date on which, upon (except in the case of any payment where presentation and/or surrender of the relevant Note is not required as a precondition of payment) due presentation of the relevant Note, the relevant payment is made or, if earlier (except in the case of any payment where presentation and/or surrender of the relevant Note is not required as a precondition of payment), the seventh day after the date on which, the Fiscal Agent or, as the case may be, the Registrar having received the funds required to make such payment, notice is given to the Holders of the Notes in accordance with Condition 14 of that circumstance (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder).

## **5D Deferral of interest on Subordinated Notes (which are issued by Aegon only)**

The Issuer must make each interest payment on the Subordinated Notes on the relevant Interest Payment Date subject to and in accordance with Condition 5A and 5B and the other Conditions. Subject to Condition 5D(c) below, the Issuer must or may defer an interest payment in the following circumstances:

### *(a) Optional Deferral of Interest*

Subject to Conditions 5D(b) and (c), the Issuer may in respect of any interest payment which would, in the absence of deferral in accordance with this Condition 5D, be due and payable, defer all or part of such interest payment by giving a notice in writing (a **Deferral Notice**) to the Fiscal Agent and the Holders (in accordance with Condition 14) not less than 10 (ten) Business Days prior to the relevant Interest Payment Date.

This Condition 5D(a) is applicable to Tier 3 Notes only to the extent so specified in the relevant Final Terms.

### *(b) Required Deferral of Interest*

If any interest payment is due to be made on a Required Interest Deferral Date, then the Issuer shall defer and the Issuer shall not have any obligation to make all or part of such interest payment, except if the relevant Interest Payment Date constitutes a Compulsory Interest Payment Date.

### *(c) Compulsory Interest Payments*

Interest payments will become mandatorily due and payable on (i) in respect of Tier 2 Notes and, if Condition 5D(a) is specified in the relevant Final Terms as being applicable, Tier 3 Notes, an Interest Payment Date if during a period of six months prior to such Interest Payment Date a Compulsory Interest Payment Event has occurred or (ii) in respect to Tier 3 Notes if Condition 5D(a) is not specified in the relevant Final Terms as being applicable, each Interest Payment Date (any such Interest Payment Date referred to under (i) or (ii), a **Compulsory Interest Payment Date**), provided however, that if a Mandatory Deferral Event occurred during the Interest Period immediately preceding such Interest Payment Date, such Interest Payment Date shall only be a Compulsory Interest Payment Date if such Compulsory Interest Payment Event occurred after the relevant Mandatory Deferral Event, as applicable, and such Mandatory Deferral Event has ceased to exist on such Interest Payment Date.

### *(d) Arrears of Interest*

Any unpaid interest shall as long as it remains unpaid constitute arrears of interest (**Arrears of Interest**). Arrears of Interest will not bear interest.

Unless the Final Terms specify otherwise, Arrears of Interest may, subject to the prior approval of the Relevant Supervisory Authority to the extent required pursuant to the Capital Adequacy Regulations in order for the Subordinated Notes to qualify as regulatory capital, at the option of the

Issuer be paid in whole or in part at any time, provided, however, that no Mandatory Deferral Event has occurred and is continuing at the time of such payment. Unless the Final Terms specify otherwise, all Arrears of Interest in respect of all Subordinated Notes for the time being outstanding shall become due and payable in full on whichever is the earliest of:

- (i) the first succeeding Compulsory Interest Payment Date, provided that no Mandatory Deferral Event has occurred and is continuing at the time of such payment (nor would the payment itself cause a Mandatory Deferral Event);
- (ii) the date of any redemption or substitution of the Subordinated Notes in accordance with Condition 6, provided that no Mandatory Deferral Event has occurred and is continuing at the time of such payment (nor would the payment itself cause a Mandatory Deferral Event); and
- (iii) the date upon which an order is made or an effective resolution is passed for the bankruptcy (*faillissement*) or winding-up (*vereffening na ontbinding*) of the Issuer.

Any interest payment deferred by the Issuer in accordance with this Condition 5(D) shall be at the disposal of the Issuer.

For the purposes of these Conditions,

**Arrears of Interest** means any Interest Payment, or part thereof, which has been deferred in accordance with Conditions 5E(a) or (b) and has not subsequently been satisfied;

**Assets** means the non-consolidated gross assets of the Issuer as shown by the then latest published audited balance sheet of the Issuer but adjusted for contingencies and for subsequent events in such manner and to such extent as the Issuer's directors, auditors or, as the case may be, the liquidator may determine to be appropriate;

**Capital Adequacy Event** means that (i) (A) in respect of payments of principal of Tier 2 Notes and Tier 3 Notes and payments of interest on Tier 2 Notes, the amount of eligible 'own funds' (or any equivalent terminology employed by the Capital Adequacy Regulations) of the Issuer on a group basis to cover the Solvency Capital Requirement or the Minimum Capital Requirement of the Issuer on a group basis is, or as a result of a payment of interest or a payment of principal would become, not sufficient to cover such Solvency Capital Requirement or Minimum Capital Requirement or (B) in respect of payments of interest on Tier 3 Notes the amount of eligible 'own fund-items' (or any equivalent terminology employed by the Capital Adequacy Regulations) of the Issuer on a group basis to cover the Minimum Capital Requirement of the Issuer is, or as a result of a payment of interest would become, not sufficient to cover such Minimum Capital Requirement; or (ii) (if required or applicable in order for the Subordinated Notes to qualify as regulatory capital of the Issuer on a group basis under the Capital Adequacy Regulations from time to time) the Relevant Supervisory Authority has notified the Issuer that it has determined, in view of the financial and/or solvency condition of the Issuer on a group basis, that in accordance with the Capital Adequacy Regulations at such time the Issuer must take specified action in relation to deferral of payments of principal and/or interest under the Subordinated Notes;

**Capital Adequacy Regulations** means (i) the solvency margin and capital adequacy regulations or any other regulatory capital rules, including those which set out the requirements on own funds, applicable to the Issuer or the Group from time to time pursuant to Dutch law and/or the laws of any other relevant jurisdiction and which set out the requirements to be satisfied by financial instruments to qualify as solvency margin or additional solvency margin or regulatory capital (or any equivalent terminology employed by the then applicable capital adequacy regulations) and/or (ii) regulatory rules relating to the technical provisions and/or statutory liquidity requirements or any other capital adequacy regulations pursuant to Dutch law and/or the laws of any other relevant jurisdiction, each

as applied and construed by the Relevant Supervisory Authority and applicable to the Issuer or the Group from time to time;

**Compulsory Interest Payment Event** means any of the following events:

- (a) a dividend (or any distribution from reserves) was declared payable in the general meeting of shareholders of the Issuer, paid or made in respect of any common shares of the Issuer; or
- (b) the Issuer has repurchased or otherwise acquired any common shares in its own capital (other than shares repurchased or otherwise acquired by the Issuer, to the extent relevant, to reduce its capital, in the context of its own buy-back programme, if any, under any equity derivative hedge structure or transaction, under any hedging of stock options programme or any other compensation benefit programme, if any, in connection with financial restructurings, mergers, acquisitions, split-offs, divestments or alike corporate transactions);

**Liabilities** means the non-consolidated gross liabilities of the Issuer as shown by the then latest published audited balance sheet of the Issuer, but adjusted for contingencies and for subsequent events in such manner and to such extent as the Issuer's directors, auditors or, as the case may be, the liquidator may determine;

**Mandatory Deferral Event** means that:

- (i) the Issuer determines that it is not or, on the relevant date on which a payment of interest or a payment of principal would be made after taking into account amounts payable on that date on the Subordinated Notes, will not be Solvent; or
- (ii) a Capital Adequacy Event has occurred and continues to exist or a payment of interest or a payment of principal on the relevant date would cause a Capital Adequacy Event and a deferral of payments of interest and/or principal is required under the Capital Adequacy Regulations,

provided, however, that the occurrence of (ii) above will not constitute a Mandatory Deferral Event:

- (A) in the case of Tier 2 Notes only, in respect of payments of interest or Arrears of Interest, if:
  - (i) the Relevant Supervisory Authority has exceptionally waived the deferral of such interest payment and/or payment of Arrears of Interest;
  - (ii) paying the interest payment and/or Arrears of Interest does not further weaken the solvency position of the Issuer as determined in accordance with the Capital Adequacy Regulations; and
  - (iii) the Minimum Capital Requirement will be complied with immediately after the interest payment and/or payment of Arrears of Interest is made;
- (B) in respect of payments of principal, if:
  - (i) the Relevant Supervisory Authority has exceptionally waived the deferral of such principal payment;
  - (ii) the Subordinated Notes are exchanged for or converted into another tier 1 or tier 2 or, in the case of Tier 3 Notes only, tier 3 basic own-fund of at least the same quality; and

- (iii) the Minimum Capital Requirement will be complied with immediately after the principal payment is made;

**Minimum Capital Requirement** (a) means (i) when method 1 is applied, the consolidated group Solvency Capital Requirement as referred to in the second subparagraph of Article 230(2) of the Solvency II Directive or (ii) when a combination of method 1 and 2 is applied, the minimum consolidated group Solvency Capital Requirement as referred to in Article 341 of the Solvency II Delegated Regulation (or any equivalent terminology employed by the Capital Adequacy Regulations) or (b) has any other meaning as may be given thereto under the Capital Adequacy Regulations;

**Relevant Supervisory Authority** means any relevant regulator supervising the Issuer in respect of its compliance with any Capital Adequacy Regulations. The current Relevant Supervisory Authority is the Dutch Central Bank (*De Nederlandsche Bank N.V.*, DNB);

**Required Interest Deferral Date** means each Interest Payment Date in respect of which the Holders and the Fiscal Agent have received written notice from the Issuer confirming that (i) a Mandatory Deferral Event has occurred and is continuing on such Interest Payment Date, or (ii) the payment of such interest would itself cause a Mandatory Deferral Event;

**Solvency II** means the Solvency II Directive and any implementing measures adopted pursuant to the Solvency II Directive (for the avoidance of doubt, whether implemented by way of regulation, implementing technical standards or by further directives, guidelines published by the European Insurance and Occupational Pensions Authority (or any successor entity) or otherwise) including, without limitation, the Solvency II Regulations;

**Solvency II Delegated Regulation** means Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking up and pursuit of the business of Insurance and Reinsurance (Solvency II), as amended from time to time;

**Solvency II Directive** means Directive 2009/138/EC of the European Union of 25 November, 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), as amended from time to time;

**Solvency Capital Requirement** means the group Solvency Capital Requirement as referred to in the Solvency II Directive (or any equivalent terminology employed by the Capital Adequacy Regulations); and

**Solvent** means that the Issuer is (a) able to pay its debts to its unsubordinated and unsecured creditors as they fall due and (b) its Assets exceed its Liabilities (other than its Liabilities to persons who are not unsubordinated and unsecured creditors).

## **6. REDEMPTION AND PURCHASE**

### **Redemption**

- 6.1 The Notes are dated or undated instruments, as specified in the Final Terms.
- 6.2 Unless previously redeemed, or purchased and cancelled, each dated Note shall be redeemed at its maturity redemption amount (the **Maturity Redemption Amount**, which shall be its principal amount or such other Maturity Redemption Amount as may be specified in or determined in accordance with the relevant Final Terms) on the date or dates (or, in the case of Notes which bear interest at a floating rate of interest, on the date or dates upon which interest is payable) specified in the relevant Final Terms.

- 6.3 The undated Notes are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to the provisions of Condition 7) only have the right to redeem, substitute or purchase them, or vary their terms, in accordance with the following provisions of this Condition 6.

#### **Early Redemption for Taxation Reasons**

- 6.4 If, in relation to any Series of Notes, as a result of any change in the laws or regulations of the Netherlands or, with respect to (a) below only, the United States or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws or regulations which becomes effective on or after the date of issue of such Notes (a) the Issuer or, if the Guarantee were called, the Guarantor, would be required to pay additional amounts as provided in Condition 8 or (b) other than as a result of an Excluded Change (as defined below), in the case of Subordinated Notes, there is more than an insubstantial risk that the Issuer would not obtain full or substantially full deductibility for the purposes of Dutch corporate income tax, or as the case may be, United States corporation tax for any payment of interest and the Issuer cannot avoid this risk or requirement by taking reasonable measures (each such event, a **Tax Event**) and the occurrence of a Tax Event is evidenced by the delivery by the Issuer to the Fiscal Agent of a certificate signed by an authorised officer of the Issuer or the Guarantor stating that a Tax Event prevails and describing the facts leading thereto and an opinion of independent legal or tax advisers of recognised standing with respect of Dutch, or as the case may be, United States tax matters to the effect that a Tax Event prevails, the Issuer or the Guarantor, as the case may be, may, at its option and having given no less than thirty nor more than 60 days' notice (ending, in the case of Notes which bear interest at a floating rate, on a day upon which interest is payable) to the Fiscal Agent and, in accordance with Condition 14, Holders of the Notes (which notice shall be irrevocable), redeem at such time or on such date or dates as specified in the Final Terms all (but not some only) of the outstanding Notes comprising the Series in relation to which such notice has been given, at their early tax redemption amount (the **Early Redemption Amount (Tax)**) which shall be their principal amount (or at such other Early Redemption Amount (Tax) as may be specified in or determined in accordance with the relevant Final Terms).

For the purposes of these Conditions,

**Excluded Change** means the implementation of the minimum capitalization rule for banks and insurance companies on the terms as set out in the draft legislation as published by the Dutch government on 18 March 2019 as part of the consultation paper regarding the minimum capitalization rule.

#### **Optional Early Redemption (Call)**

- 6.5 If this Condition 6.5 is specified in the relevant Final Terms as being applicable, then the Issuer may, upon the expiry of the appropriate notice and subject to such conditions as may be specified in the relevant Final Terms, redeem all (but not, unless and to the extent that the relevant Final Terms specifies otherwise, some only) of the Notes of the relevant Series at their call early redemption amount (the **Early Redemption Amount (Call)**), which shall be their principal amount or such other Early Redemption Amount (Call) as may be specified in or determined in accordance with the relevant Final Terms.
- 6.6 The appropriate notice referred to in Condition 6.5 is a notice given by the Issuer to the Fiscal Agent, the Registrar (in the case of Registered Notes) and the Holders of the Notes of the relevant Series in accordance with Condition 14 (which notice shall be irrevocable), which notice shall be signed by a duly authorised officer of the Issuer and shall specify:
- (a) the Series of Notes subject to redemption;

- (b) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes of the relevant Series which are to be redeemed;
- (c) the due date for such redemption which shall be a Business Day (as defined in Condition 9C.03), which shall be not less than 30 days (or such lesser period as may be specified in the relevant Final Terms) after the date on which such notice is validly given and which is, in the case of Notes which bear interest at a floating rate, a date upon which interest is payable; and
- (d) the Early Redemption Amount (Call) at which such Notes are to be redeemed.

Any such notice shall be irrevocable, and the delivery thereof shall oblige the Issuer to make the redemption therein specified.

### **Partial Redemption**

6.7 If the Notes of a Series are to be redeemed in part only on any date in accordance with Condition 6.5:

- (a) in the case of Bearer Notes, the Notes to be redeemed (**Redeemed Notes**) will be drawn individually by lot in such European city as the Fiscal Agent may specify, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) in the case of Redeemed Notes represented by a Global Note, or, in either case identified in such other manner or in such other place as the Fiscal Agent may approve and deem appropriate and fair, subject always to compliance with all applicable laws and the requirements of any competent listing authority and/or stock exchange on which the relevant Notes may be listed; and
- (b) in the case of Registered Notes, the Notes shall be redeemed (so far as may be practicable) *pro rata* to their principal amounts, subject always as aforesaid and provided always that the amount redeemed in respect of each Note shall be equal to the minimum denomination thereof or an integral multiple thereof.

### **Optional Early Redemption (Investor Put)**

6.8 If this Condition 6.8 is specified in the relevant Final Terms as being applicable, then the Issuer shall, upon the exercise of the relevant option by the Holder of any Senior Note of the relevant Series, redeem such Senior Note on the date or the next of the dates specified in the relevant Final Terms at its put early redemption amount (the Early Redemption Amount (Put) which shall be its principal amount or such other Early Redemption Amount (Put) as may be specified in or determined in accordance with the relevant Final Terms).

In order to exercise such option, the Holder must, not less than 45 days before the date so specified (or such other period as may be specified in the relevant Final Terms), deposit the relevant Senior Note (together, in the case of an interest-bearing Definitive Note, with any unmatured Coupons appertaining thereto) with, in the case of a Bearer Note, any Paying Agent or, in the case of a Registered Note, the Registrar together with a duly completed redemption notice in the form which is available from the specified office of any of the Paying Agents or, as the case may be, the Registrar.

### **Redemption of the Subordinated Notes for Regulatory Reasons (Regulatory Call)**



- 6.9 If this Condition 6.9 (Regulatory Call) is specified in the relevant Final Terms as being applicable and a Capital Disqualification Event has occurred, then, subject to the Issuer having received the prior approval of the Relevant Supervisory Authority if required pursuant to the Capital Adequacy Regulations, the Issuer may having given not less than 30 nor more than 60 days' notice to the Fiscal Agent and, in accordance with Condition 14, the Holders of Subordinated Notes (which notice shall be irrevocable), redeem, in accordance with these Terms and Conditions, at such time or on such date or dates as specified in the Final Terms all, but not some only, of the Subordinated Notes at the Early Redemption Amount (Regulatory) specified in the Final Terms together with any interest accrued to (but excluding) the date of redemption in accordance with these Terms and Conditions and any Arrears of Interest (if applicable).

Prior to the publication of any notice of redemption pursuant to this Condition 6.9 the Issuer shall deliver to the Fiscal Agent and, in accordance with Condition 14, the Holders of the Subordinated Notes a certificate signed by one or more members of the Executive Board of the Issuer stating that a Capital Disqualification Event has occurred and is continuing as of the date of such certificate.

For the purposes of these Conditions,

**Capital Disqualification Event** means that as a result of any change in the Capital Adequacy Regulations (or an official application or interpretation of those rules and regulations) on or after the Issue Date, the Subordinated Notes cease, in whole or in part, to be capable of qualifying as at least the category of basic own funds (or any equivalent terminology employed by the Capital Adequacy Regulations) as specified in the applicable Final Terms, on a group basis, except where such non-qualification is only as a result of any applicable limitation on the amount of such capital.

#### **Redemption of the Subordinated Notes for Rating Reasons (Rating Call)**

- 6.10 If this Condition 6.10 (Rating Call) is specified in the relevant Final Terms as being applicable, if after the Issue Date the Issuer, having given not less than 30 nor more than 60 days' notice to the Fiscal Agent and, in accordance with Condition 14, the Holders of Subordinated Notes (which notice shall be irrevocable), determines that a Rating Methodology Event has occurred with respect to any Subordinated Note, the Issuer may, subject to the Issuer having received the prior approval of the Relevant Supervisory Authority if required pursuant to the Capital Adequacy Regulations, at such time or on such date or dates as specified in the Final Terms, redeem all, but not some only, of the Subordinated Notes at the Early Redemption Amount (Rating) specified in the Final Terms together with any interest accrued to (but excluding) the date of redemption in accordance with these Terms and Conditions and any Arrears of Interest (if applicable).

Prior to the publication of any notice of redemption pursuant to this Condition 6.10 the Issuer shall deliver to the Fiscal Agent and, in accordance with Condition 14, the Holders of the Subordinated Notes a certificate signed by one or more members of the Executive Board of the Issuer stating that a Rating Methodology Event has occurred and is continuing as of the date of such certificate.

For the purposes of these Conditions:

**Rating Methodology Event** will be deemed to occur upon a change in the methodology of a Rating Agency (or in the interpretation of such methodology) as a result of which the equity content previously assigned by such Rating Agency to the Subordinated Notes is, in the reasonable opinion of the Issuer, materially reduced when compared to the equity content assigned by such Rating Agency at the Issue Date.

**Rating Agency** means Standard & Poor's Rating Group, Moody's Investors Service, Fitch Rating (or any of their affiliates) or any other rating agency that has assigned a solicited rating to Subordinated Notes at the Issue Date of any such Notes, or any successor.

## **Redemption of the Subordinated Notes for Accounting Reasons (Accounting Event)**

- 6.11 If this Condition 6.11 (Accounting Event) is specified in the relevant Final Terms as being applicable, if after the Issue Date the Issuer, having given not less than 30 nor more than 60 days' notice to the Fiscal Agent and, in accordance with Condition 14, the Holders of Subordinated Notes (which notice shall be irrevocable), determines that an Accounting Event has occurred with respect to any Subordinated Note, the Issuer may, subject to the Issuer having received the prior approval of the Relevant Supervisory Authority if required pursuant to the Capital Adequacy Regulations, at such time or on such date or dates as specified in the Final Terms, redeem all, but not some only, of the Subordinated Notes at the Early Redemption Amount (Accounting Event) specified in the Final Terms together with any interest accrued to (but excluding) the date of redemption in accordance with these Terms and Conditions and any Arrears of Interest (if applicable), provided, however, that no such notice of redemption, exchange or variation shall be given more than 12 months following the occurrence of the relevant Accounting Event.

For the purpose of this Condition 6.11:

An **Accounting Event** is deemed to have occurred if, as a result of a change in the accounting principles under International Financial Reporting Standards (**IFRS**) or a change in the interpretation of such accounting principles by the Issuer's auditors which becomes effective on or after the Issue Date, but not otherwise, at any time the obligations of the Issuer under the Notes must not, or must no longer, be recorded as a 'financial liability' pursuant to IFRS for the purposes of the consolidated financial statements of the Issuer, as verified by an opinion of a recognised independent accounting firm.

## **Substitution and variation of the Subordinated Notes**

- 6.12 If a Tax Event, a Capital Disqualification Event, a Rating Methodology Event or an Accounting Event has occurred and is continuing, then the Issuer may (without any requirement for the consent or approval of the Holders of Subordinated Notes), subject to having satisfied the Fiscal Agent immediately prior to the giving of such notice referred to herein that the provisions of this Condition 6.12 have been complied with and having given not less than seven days' written notice to the Fiscal Agent and, in accordance with Condition 14, the Holders of the Subordinated Notes (which notice shall be irrevocable), at any time either substitute all (but not some only) of the Subordinated Notes for, or vary the terms of the Subordinated Notes so that they remain or, as appropriate, become, Qualifying Securities.

Upon the expiry of such notice, the Issuer shall either vary the terms of, or substitute, the Subordinated Notes in accordance with this Condition 6.12, as the case may be.

In addition, any substitution or variation is subject to (a) in respect of substitution only, all interest amounts, including Arrears of Interest, and any other amount payable under the Notes which in each case has accrued to Holders and has not been paid, being satisfied in full on or prior to the date thereof, (b) so long as the Issuer is subject to Capital Adequacy Regulations, the prior approval of the Relevant Supervisory Authority if required under the Capital Adequacy Regulations and compliance with the Capital Adequacy Regulations, (c) the substitution or variation not itself giving rise to a negative change in any published rating of the Subordinated Notes in effect at such time as confirmed in writing by any solicited rating organisations that have given such published rating of the Subordinated Notes immediately prior to such substitution or variation, (d) the substitution or variation not triggering the right on the part of the Issuer to redeem the Subordinated Notes pursuant to Condition 6.4, 6.9 or 6.10 and (e) certification by the Issuer, represented by at least one member of the Executive Board, that the securities to be offered in substitution for the Subordinated Notes or the terms of the Subordinated Notes as so varied are "Qualifying Securities" in accordance with the definition set out below and that the conditions set out above have been complied with, which certificate shall be delivered to the Fiscal Agent prior to the substitution or variation of the

Subordinated Notes and upon which certificate the Fiscal Agent shall be entitled to rely absolutely without liability to any person.

In connection with any substitution or variation as described above, the Issuer will comply with the rules of any stock exchange or other relevant authority on which the Subordinated Notes are then listed or admitted to trading.

As used herein, **Qualifying Securities** means securities issued directly or indirectly by the Issuer that have terms that are not materially less favourable to an investor than the terms of the Subordinated Notes (as reasonably determined by the Issuer in consultation with an independent investment bank, consulting firm or comparable expert of international standing on the subject and provided that a certification to such effect of the Issuer, represented by a duly authorised person, shall have been delivered to the Fiscal Agent prior to the issue of the relevant securities or them otherwise becoming obligations of the Issuer), provided that such securities (1) contain terms such that they comply with the then current requirements of the Relevant Supervisory Authority in relation to at least the same tier basic own funds (or any equivalent terminology employed by the Capital Adequacy Regulations) that the Subordinated Notes would be expected to fall under on or about the Issue Date, (2) include terms that provide for at least the same interest rate from time to time applying to the Subordinated Notes, and (3) rank at least *pari passu* with the Subordinated Notes.

#### **Purchase of Notes**

- 6.13 The Issuer or the Guarantor or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price provided that, in the case of interest-bearing Definitive Notes, all unmatured Coupons appertaining thereto are purchased therewith.

#### **Cancellation of Redeemed and Purchased Notes**

- 6.14 All unmatured Notes and Coupons redeemed or purchased in accordance with this Condition 6 may be held and resold by the Issuer or the Guarantor or any of its Subsidiaries or may be surrendered for cancellation in all cases at the discretion of the Issuer or the Guarantor or, as the case may be, the relevant Subsidiary.

#### **Redemption or purchase of Subordinated Notes**

- 6.15 Subordinated Notes may only be redeemed on or before the maturity date specified in the applicable Final Terms or purchased by the Issuer provided that (i) no Mandatory Deferral Event has occurred and is continuing on the relevant date for redemption or purchase, (ii) such redemption or purchase would not itself cause a Mandatory Deferral Event or (iii) no Insolvent Insurer Liquidation has occurred and is continuing on the relevant date for redemption or purchase, or in each case, as otherwise permitted by the Relevant Supervisory Authority and subject to the Issuer having received the prior approval of the Relevant Supervisory Authority if required pursuant to the Capital Adequacy Regulations in order for the Subordinated Notes to qualify as regulatory capital. If on the relevant date for redemption or purchase (i) a Mandatory Deferral Event has occurred and is continuing, (ii) a redemption or purchase would itself cause a Mandatory Deferral Event or (iii) an Insolvent Insurer Liquidation has occurred and is continuing, then the Subordinated Notes may only be redeemed or purchased on any day thereafter on which no Mandatory Deferral Event is continuing, the redemption would itself not cause a Mandatory Deferral Event and no Insolvent Insurer Liquidation is continuing.

**Group Insurance Undertaking** means an insurance undertaking or a reinsurance undertaking of the Group;

**Insolvent Insurer Liquidation** means a liquidation of any Group Insurance Undertaking that is not a Solvent Insurer Liquidation;

**insurance undertaking** means a direct life or non-life insurance undertaking that has received authorization in accordance with Article 14 of the Solvency II Directive, as implemented in the relevant EU member state;

**Policyholder Claims** means claims of policyholders in a liquidation of a Group Insurance Undertaking to the extent that those claims relate to any debt to which the Group Insurance Undertaking is, or may become, liable to a policyholder pursuant to a contract of insurance;

**reinsurance undertaking** means an undertaking that has received authorization to pursue reinsurance activities in accordance with Article 14 of the Solvency II Directive, as implemented in the relevant EU member state; and

**Solvent Insurer Liquidation** means the liquidation of any Group Insurance Undertaking where the Issuer has determined, acting reasonably, that all Policyholder Claims of the Group Insurance Undertaking will be met.

If a redemption or purchase of the Subordinated Notes in accordance with Condition 6.4, 6.9, 6.10 or 6.13 is to occur within five years of the Issue Date of the Subordinated Notes, any such redemption or purchase will only be made on the condition that the Subordinated Notes are exchanged for, or redeemed out of the proceeds of a new issue of capital of at least the same quality as the Subordinated Notes or, to the extent permitted under the Capital Adequacy Regulations, the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement is exceeded by an appropriate margin as provided in the Capital Adequacy Regulations, in each case, if required pursuant to the Capital Adequacy Regulations. A certificate by the Issuer, represented by at least one member of the Executive Board, to the Fiscal Agent confirming such compliance shall be conclusive evidence of such compliance and upon which certificate the Fiscal Agent shall be entitled to rely absolutely without liability to any person.

## **7. EVENTS OF DEFAULT**

7.1 Unless otherwise specified in the relevant Final Terms, the following events or circumstances (each an **Event of Default**) shall be acceleration events in relation to:

(a) *Senior Notes of any Series:*

- (i) *Non-Payment:* the Issuer is in default for any reason whatsoever for more than three days with respect to the payment of principal due on the Notes or for more than 14 days with respect to the payment of interest due on the Notes and such default has not been remedied by the Guarantor making such payment; or
- (ii) *Breach of other obligations:* the Issuer or the Guarantor is in default in the performance of any other obligation under these Terms and Conditions or, as the case may be, the Guarantee and, if such default is capable of being remedied, such default has not been remedied within 30 days after written notification from the Holder of any Note requiring such default to be remedied shall have been given to the Issuer or the Guarantor; or
- (iii) *Cross default:* the Issuer or the Guarantor fails to repay within 30 days after its due date, or becomes liable to repay prematurely due to default, any other borrowings which the Issuer or the Guarantor has contracted or guaranteed or security granted therefor is enforced on behalf of or by the creditors entitled thereto if and insofar as such default or such enforcement is not caused by the fact that the Issuer or the

Guarantor is prevented, directly or indirectly, by any government or other governmental body from fulfilling the relevant obligation; or

- (iv) *Enforcement Proceedings*: an *executoriaal beslag* (executory attachment) is made on any substantial part of the assets of the Issuer or the Guarantor or any Insurance Subsidiary or a *conservatoir beslag* (interlocutory attachment) is made thereon and is not cancelled or withdrawn within 30 days after the making thereof or the Issuer or the Guarantor or any Insurance Subsidiary goes bankrupt, applies for suspension of payment or is wound up, save, in respect of Insurance Subsidiaries, for a voluntary solvent winding up where substantially the whole of the assets of such Insurance Subsidiary are transferred to another Subsidiary (which shall thereupon itself become an Insurance Subsidiary for the purposes of these Conditions and notice thereof shall forthwith be given by the Issuer or the Guarantor to the Holders of Notes) or the Issuer or the Guarantor or any Insurance Subsidiary offers a compromise to its creditors or negotiates with all its creditors another agreement relating to its payment difficulties, or such measures are officially decreed; or
  - (v) *Cessation of business*: the Group shall cease to carry on substantially the whole of its business or shall dispose of substantially the whole of its assets; or
  - (vi) *Analogous event*: any event occurs which under the laws of the Netherlands has an analogous effect to any of the events referred to above;
- (b) *Subordinated Notes of any Series*: in the case of liquidation of the Issuer. Liquidation may occur as a result of the winding-up of the Issuer (*vereffening na ontbinding*), bankruptcy (*faillissement*) of the Issuer.

7.2 If any Event of Default shall occur in relation to any Series of Notes, any Holder of a Note of the relevant Series may, by written notice to the Issuer or the Guarantor, at the specified office of the Fiscal Agent, declare that such Note and (if the Note is interest-bearing) all interest then accrued on such Note shall be forthwith due and payable, whereupon the same shall become immediately due and payable at its early termination amount (the **Early Termination Amount** which shall be its principal amount or such other Early Termination Amount as may be specified in or determined in accordance with the relevant Final Terms).

## 8. TAXATION

8.1 All amounts payable (whether in respect of principal, redemption amount, interest or otherwise) in respect of the Notes or under the Guarantee will be made free and clear of, and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of The Netherlands or the United States or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, unless previously redeemed in accordance with these Terms and Conditions, the Issuer or, as the case may be, the Guarantor will pay such additional amounts in respect of Senior Notes only, relating to principal, redemption amount, interest or otherwise, and in respect of Subordinated Notes only, relating to interest) as may be necessary in order that the net amounts receivable by the Holder of any Note or Coupon after such withholding or deduction shall equal the respective amounts which would have been receivable by such Holder in the absence of such withholding or deduction; except that no such additional amounts shall be payable in relation to any payment in respect of any Note or Coupon presented for payment:

- (a) by or on behalf of, a Holder of a Note or Coupon who is liable for such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of (i) his having some connection with the jurisdiction by which such taxes, duties, assessments or

governmental charges have been imposed, levied, collected, withheld or assessed other than the mere holding of such Note or Coupon or (ii) such Holder's present or former status as a personal holding company, a foreign personal holding company or a controlled foreign corporation for United States tax purposes, a foreign private foundation or other foreign tax exempt organization or a corporation that accumulates earnings to avoid United States federal income tax;

- (b) more than 30 days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts on presenting the same for payment on the expiry of such period of 30 days;
- (c) in respect of any estate, inheritance, gift, sales, transfer, wealth, personal property or similar tax, assessment or other governmental charge;
- (d) in respect of any tax, assessment or other governmental charge that would not have been imposed but for a failure to comply with any applicable certification, information, identification, documentation or other reporting requirements concerning the nationality, residence, identity or connection with the United States of the Holder of beneficial owner of a Note or Coupon if, without regard to any tax treaties, such compliance is required as a precondition to relief or exemption from such tax, assessment or other governmental charge;
- (e) in respect of any tax, assessment or other governmental charge imposed as a result of a person's actual or constructive holding of 10% or more of the total combined voting power of all classes of stock of the Issuer entitled to vote or as the result of the receipt of interest by a bank on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;
- (f) by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent;
- (g) in respect of any tax, assessment or other governmental charge imposed under Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended, (the **Code**), any regulations or agreements thereunder, and official interpretations thereof or any law implementing an intergovernmental approach thereto (**FATCA**); or
- (h) by or on behalf of, a Holder who is a related party of the Issuer and is liable for such taxes, duties, assessments or governmental charges due to being a tax resident of a low-tax jurisdiction or non-cooperative jurisdiction for purposes of any Dutch tax law codified pursuant to the policy intentions as described in item N151 on page 67 of the Coalition Agreement of the (then) proposed Dutch Government (*Regeerakkoord*) 2017 – 2021 published on 10 October 2017, as described in the annex of the letter of the Dutch State Secretary for Finance dated 23 February 2018 on pages 10 and 11.

In the absence of definitive guidance as to whether the withholding or deduction of such taxes, duties, assessments or governmental charges is required by any Dutch tax law referred to in (h) above, by reason of a certain tax jurisdiction having to be or being considered a low-tax jurisdiction, the term low-tax jurisdiction will be interpreted in the Issuer's reasonable judgment, in accordance with the relevant statutory language, any implementing regulations, any interpretative guidance provided by the relevant authorities and any other sources generally accepted, or relied on, for the purpose of interpreting Dutch tax law at the time of the actual payment.

- 8.2 For the purposes of these Terms and Conditions, the **Relevant Date** means, in respect of any payment, the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Fiscal Agent, or as the case may be, the Registrar

on or prior to such due date, it means the first date on which, the full amount of such moneys having been so received and being available for payment to Holders of Notes and Coupons, notice to that effect shall have been duly given to the Holders of the Notes of the relevant Series in accordance with Condition 14.

- 8.3 If the Issuer becomes subject at any time to any taxing jurisdiction other than or in addition to The Netherlands, references herein to The Netherlands shall be read and construed as references to The Netherlands and/or to such other jurisdiction. If AFC as Issuer becomes subject at any time to any taxing jurisdiction other than or in addition to the United States, references herein to the United States shall be read and construed as references to the United States and/or to such other jurisdiction.
- 8.4 Any reference in these Terms and Conditions to principal, redemption amount and/or interest in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 8.

## **9. PAYMENTS**

### **9A Payments – Bearer Notes**

**9A.01** This Condition 9(a) is applicable in relation to Notes issued by Aegon in bearer form. For the avoidance of doubt, AFC will not issue Notes in bearer form.

**9A.02** Payment of amounts (other than interest) due in respect of Bearer Notes will be made against presentation and surrender of the relevant Bearer Notes at the specified office of any of the Paying Agents.

**9A.03** Payment of amounts in respect of interest on Bearer Notes will be made:

- (i) in the case of a Temporary Global Note or Permanent Global Note, against presentation of the relevant Temporary Global Note or Permanent Global Note at the specified office of any of the Paying Agents outside (unless Condition 9A.04 applies) the United States and, in the case of a Temporary Global Note, upon due certification as required therein;
- (ii) in the case of Definitive Notes without Coupons attached thereto at the time of their initial delivery, against presentation of the relevant Definitive Notes at the specified office of any of the Paying Agents outside (unless Condition 9A.04 applies) the United States; and
- (iii) in the case of Definitive Notes delivered with Coupons attached thereto at the time of their initial delivery, against surrender of the relevant Coupons or, in the case of interest due otherwise than on a scheduled date for the payment of interest, against presentation of the relevant Definitive Notes, in either case at the specified office of any of the Paying Agents outside (unless Condition 9A.04 applies) the United States.

**9A.04** Payments of amounts due in respect of interest on the Bearer Notes and exchanges of Talons for Coupon sheets in accordance with Condition 9A.07 will not be made at the specified office of any Paying Agent in the United States unless (i) payment in full of amounts due in respect of interest on such Notes when due or, as the case may be, the exchange of Talons at all the specified offices of the Paying Agents outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (ii) such payment or exchange is permitted by applicable United States law. If paragraphs (i) and (ii) of the previous sentence apply, the Issuer shall forthwith appoint a further Paying Agent with a specified office in New York City.

**9A.05** If the due date for payment of any amount due in respect of any Bearer Note is not both a Relevant Financial Centre Day (as defined in Condition 9C.03) and a Local Banking Day (as defined in Condition 9C.03), then the Holder thereof will not be entitled to payment thereof until the next

day which is such a day and, thereafter will be entitled to receive payment by cheque on any local banking day, and will be entitled to payment by transfer to a designated account on any day which is a local banking day, a Relevant Financial Centre Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Terms and Conditions in which event interest shall continue to accrue as provided in Condition 5C.

**9A.06** Each Definitive Note initially delivered with Coupons attached thereto should be presented and surrendered for final redemption together with all unmatured Coupons and Talons appertaining thereto, failing which:

- (i) in the case of Definitive Notes which bear interest at a fixed rate or rates, the amount of any missing unmatured Coupons (or, in the case of a payment not being made in full, that portion of the amount of such missing Coupon which the redemption amount paid bears to the total redemption amount due) (excluding, for this purpose, Talons) will be deducted from the amount otherwise payable on such final redemption, the amount so deducted being payable against surrender of the relevant Coupon at the specified office of any of the Paying Agents at any time within five years of the Relevant Date applicable to payment of such final redemption amount;
- (ii) in the case of Definitive Notes which bear interest at, or at a margin above or below, a floating rate, all unmatured Coupons (excluding, for this purpose, but without prejudice to paragraph (iii) below, Talons) relating to such Definitive Notes (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them; and
- (iii) in the case of Definitive Notes initially delivered with Talons attached thereto, all unmatured Talons (whether or not surrendered therewith) shall become void and no exchange for Coupons shall be made thereafter in respect of them.

The provisions of paragraph (i) of this Condition 9A.06 notwithstanding, if any Definitive Notes which bear interest at a fixed rate or rates should be issued with a maturity date and a fixed rate or fixed rates such that, on the presentation for payment of any such Definitive Note without any unmatured Coupons attached thereto or surrendered therewith, the amount required by paragraph (i) to be deducted would be greater than the amount otherwise due for payment, then, upon the due date for redemption of any such Definitive Note, such unmatured Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that, upon application of the provisions of paragraph (i) in respect of such Coupons as have not become void, the amount required by paragraph (i) to be deducted would not be greater than the amount otherwise due for payment. Where the application of the foregoing sentence requires some but not all of the unmatured Coupons relating to a Definitive Note to become void, the relevant Paying Agent shall determine which unmatured Coupons are to become void, and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.

**9A.07** In relation to Definitive Notes initially delivered with Talons attached thereto, on or after the due date for the payment of interest on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent outside (unless Condition 9A.04 applies) the United States in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 10 below. Each Talon shall, for the purpose of these Conditions, be deemed to mature on the due date for the payment of interest on which the final Coupon comprised in the relative Coupon sheet matures.



## **9B Payments – Registered Notes**

**9B.01** This Condition 9B is applicable in relation to Notes in registered form issued by either Aegon or AFC.

**9B.02** Payment of amounts (whether principal, redemption amount or otherwise and including accrued interest) due in respect of Registered Notes on the final redemption of Registered Notes will be made against presentation and, save in the case of partial payment of the amount due upon final redemption by reason of insufficiency of funds, surrender of the relevant Registered Notes at the specified office of the Registrar. If the due date for payment of the final redemption amount of any Registered Note is not both a Relevant Financial Centre Day (as defined in Condition 9C.03 and a Local Banking Day (as defined in Condition 9C.03, then the Holder thereof will not be entitled to payment thereof until the next day which is such a day and, thereafter will be entitled to receive payment by cheque on any Local Banking Day, and will be entitled to payment by transfer to a designated account on any day which is a Local Banking Day, a Relevant Financial Centre Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Terms and Conditions in which event interest shall continue to accrue as provided in Condition 5C.

**9B.03** Payment of amounts (whether principal, redemption amount, interest or otherwise) due (other than in respect of the final redemption of Registered Notes) in respect of Registered Notes will be paid to the Holder thereof (or, in the case of joint Holders, the first-named) as appearing in the register kept by the Registrar as at the close of the business day (in the ICSD) before the due date for such payment (the **Record Date**).

**9B.04** Notwithstanding the provisions of Condition 9C.02, payment of amounts (whether principal, redemption amount, interest or otherwise) due (other than in respect of final redemption of Registered Notes) in respect of Registered Notes will be made by cheque and posted to the address (as recorded in the register held by the Registrar) of the Holder thereof (or, in the case of joint Holders, the first-named) on the Relevant Banking Day (as defined in Condition 2.6) not later than the relevant date for payment unless prior to the relevant Record Date the Holder thereof (or, in the case of joint Holders, the first named) has applied to the Registrar and the Registrar has acknowledged such application for payment to be made to a designated account in the relevant currency.

## **9C Payments – General Provisions**

**9C.01** Save as otherwise specified herein, this Condition 9C is applicable in relation to Notes whether in bearer or in registered form.

**9C.02** Payments of amounts due (whether principal, redemption amount, interest or otherwise) in respect of Notes will be made by (i) transfer to an account in the relevant currency specified by the payee or (ii) cheque. Payments will be subject in all cases to (i) any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

**9C.03** For the purposes of these Terms and Conditions:

- (i) **Business Day** means a day:

- (A) in relation to Notes payable in euro, which is a TARGET 2 Business Day; and
  - (B) in relation to Notes payable in any other currency, on which commercial banks are open for business and foreign exchange markets settle payments in the Relevant Financial Centre in respect of the relevant Notes; and, in either case,
  - (C) on which commercial banks are open for business and foreign exchange markets settle payments in any place specified in the relevant Final Terms;
- (ii) **Code** means the U.S. Internal Revenue Code of 1986;
  - (iii) **Relevant Financial Centre** means such financial centre or centres as may be specified in relation to the relevant currency for the purposes of the definitions of **Business Day** in the ISDA Definitions;
  - (iv) **Relevant Financial Centre Day** means, in the case of any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments in the Relevant Financial Centre and in any other place specified in the relevant Final Terms and in the case of payment in euro, a day which is a TARGET 2 Business Day;
  - (v) **Local Banking Day** means a day (other than a Saturday and Sunday) on which commercial banks are open for business in the place of presentation of the relevant Note or, as the case may be, Coupon;
  - (vi) **euro** means the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty;
  - (vii) **Euro-zone** means the region comprised of member states of the European Union that have adopted the single currency in accordance with the Treaty;
  - (viii) **United States** means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).
  - (ix) **TARGET 2 Business day** means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET 2) System is operating;
  - (x) **Treaty** means the Treaty on the Functioning of the European Union, as amended,

and, in the case of any of paragraphs (i) to (v) of this Condition 9C.03, as the same may be modified in the relevant Final Terms.

## 10. PRESCRIPTION

- 10.1 Claims against Aegon as Issuer in respect of Bearer Notes, Coupons and in respect of interest will be prescribed unless made within five years after the due date for payment thereof.
- 10.2 In relation to Definitive Notes initially delivered with Talons attached thereto, there shall not be included in any Coupon sheet issued upon exchange of a Talon, any Coupon which would be void upon issue pursuant to Condition 9A.06 or the date for the payment of which would fall after the due date for the redemption of the relevant Note or which would be void pursuant to this Condition 10.
- 10.3 Claims against an Issuer and the Guarantor in respect of Registered Notes (other than in respect of the final redemption amount of Registered Notes) and in respect of interest will be prescribed unless made within five years after the due date for payment. Claims against the Issuer in respect of the

final redemption amount of Registered Notes will be prescribed unless made within five years after the due date for payment thereof.

## **11. THE PAYING AGENTS AND THE REGISTRARS**

- 11.1 The initial Paying Agents and Registrars and their respective offices are specified below. The Issuer and the Guarantor reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Fiscal Agent) or the Registrar and to appoint additional or other Paying Agents or another Registrar provided that it will at all times maintain (a) a Fiscal Agent, (b) in the case of Registered Notes, a Registrar with a specified office in continental Europe, (c) a Paying Agent (which may be the Fiscal Agent) with a specified office in continental Europe, (d) so long as any Notes are listed on Euronext in Amsterdam and/or any other competent listing authority or stock exchange, a Paying Agent (which may be the Fiscal Agent) and a Registrar each with a specified office in the Netherlands and/or in such other place as may be required by such other stock exchange and (e) in the circumstances described in Condition 9A.04, a Paying Agent with a specified office in New York City. The Paying Agents and the Registrar reserve the right at any time to change their respective offices to some other specified office in the same city. Notice of all changes in the identities or specified offices of the Paying Agent or the Registrar will be given promptly by the Issuer and the Guarantor to the Holders of the Notes in accordance with Condition 14.
- 11.2 The Paying Agents and Registrars act solely as agents of the Issuer and the Guarantor and, save as provided in the Issue and Paying Agency Agreement, do not assume any obligations towards or relationship of agency or trust for any Holder of any Note or Coupon and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon them in the Issue and Paying Agency Agreement or incidental thereto.

## **12. REPLACEMENT OF NOTES**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent or such Paying Agent or Paying Agents as may be specified for such purpose in the relevant Final Terms (in the case of Bearer Notes and Coupons) or of the Registrar (in the case of Registered Notes), subject to all applicable laws and the requirements of any stock exchange on which the relevant Notes are listed, upon payment by the claimant of all expenses incurred in connection with such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Issuer, the Guarantor and the Fiscal Agent, the relevant Paying Agent or, as the case may be, the Registrar may require. Mutilated or defaced Notes and Coupons must be surrendered before replacements will be delivered therefor.

## **13. MEETINGS OF HOLDERS**

The Issue and Paying Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of the Holders of Notes of any Series to consider any matter affecting their interest, including (without limitation) the modification by Extraordinary Resolution (as defined in the Issue and Paying Agency Agreement) of these Terms and Conditions. An Extraordinary Resolution passed at any meeting of the Holders of Notes of any Series will be binding on all Holders of the Notes of such Series, whether or not they are present at the meeting, and on all Holders of Coupons relating to Notes of such Series.

The Fiscal Agent and the Issuer may agree, without the consent of the Holders of Notes, Holders of Talons or Holders of Coupons, to:

- (a) any modification (except as mentioned in the paragraph above) of the Notes, the Talons, the Coupons or the Issue and Paying Agency Agreement which is not prejudicial to the interests of the Holders; or

- (b) any modification of the Notes, the Talons, the Coupons or the Issue and Paying Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Holders of Notes, Holders of Talons and Holders of Coupons and any such modification shall be notified to such Holders in accordance with Condition 14 as soon as practicable thereafter.

#### **14. NOTICES**

Notices to Holders may be given by the delivery of the relevant notice to Euroclear Nederland or Euroclear and Clearstream, Luxembourg, as applicable, except for so long as the Notes are listed on Euronext in Amsterdam and the rules of Euronext Amsterdam so require, by the delivery of the relevant notice to Euronext Amsterdam and through a press release which will also be made available on the website of the Issuer ([www.aegon.com](http://www.aegon.com)). Any such notice shall be deemed to have been given on the date of the first publication. Any Notice delivered to Euroclear Nederland or Euroclear and Clearstream, Luxembourg, as applicable shall be deemed to have been given to the Holders on the day on which such notice is so delivered.

#### **15. FURTHER ISSUES**

The Issuer may, from time to time without the consent of the Holders of any Notes create and issue further Notes, bonds or debentures having the same terms and conditions as such Notes in all respects (or in all respects except for the first payment of interest, if any, on them and/or the denomination thereof) so as to form a single series with the Notes of any particular Series.

#### **16. CURRENCY INDEMNITY**

The currency in which the Note is denominated or, if different, payable, as specified in the relevant Final Terms (the **Contractual Currency**) is the sole currency of account and payment for all sums payable by the Issuer or the Guarantor in respect of such Note, including damages. Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction or otherwise) by any Holder of a Note or Coupon in respect of any sum expressed to be due to it from the Issuer or the Guarantor shall only constitute a discharge to the Issuer or the Guarantor to the extent of the amount in the Contractual Currency which such Holder is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that amount is less than the amount in the Contractual Currency expressed to be due to any Holder of a Note or Coupon in respect of such Note or Coupon the Issuer or the Guarantor shall indemnify such Holder against any loss sustained by such Holder as a result. In any event, the Issuer or the Guarantor shall indemnify each such Holder against any cost of making such purchase which is reasonably incurred. These indemnities constitute a separate and independent obligation from the Issuer's other obligations or the Guarantor's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder of a Note or Coupon and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due in respect of the Notes or any judgment or order. Any such loss aforesaid shall be deemed to constitute a loss suffered by the relevant Holder of a Note or Coupon.

#### **17. WAIVER AND REMEDIES**

No failure to exercise, and no delay in exercising, on the part of the Holder of any Note, any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right where such rights would, but for such failure or delay, otherwise have existed. Rights hereunder shall be in addition to all other

rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

## **18. GOVERNING LAW AND JURISDICTION**

- 18.1 The Notes, the Issue and Paying Agency Agreement and any non-contractual obligations arising out of or in connection therewith, are governed by, and shall be construed in accordance with, the laws of the Netherlands.
- 18.2 The Issuer and the Guarantor irrevocably agrees for the benefit of the Holders of the Notes that the courts of the Netherlands shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes and any non-contractual obligations arising out of or in connection therewith (respectively, **Proceedings** and **Disputes**) and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- 18.3 The submission to the jurisdiction of the courts of The Netherlands shall not (and shall not be construed so as to) limit the right of the Holders of the Notes or any of them to take Proceedings in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

## APPLICABLE FINAL TERMS TO THE NOTES WITH A DENOMINATION OF LESS THAN EUR 100,000

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of less than EUR 100,000 (or its equivalent in any other currency).*

### FINAL TERMS

**[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 (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive 2016/97/EU (the **IDD**) 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 the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, 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.]<sup>3</sup>

<sup>4</sup>**[MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of 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. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers' 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 manufacturers' target market assessment) and determining appropriate distribution channels.]

**OR**

<sup>5</sup>**[MiFID II product governance / Retail investors, professional investors and ECPs** – Solely for the purposes of 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, professional clients and retail clients, each as defined in MiFID II; ***EITHER***<sup>6</sup> [and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] ***OR***<sup>7</sup> [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and] [non-advised sales ] [and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers' 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

<sup>3</sup> Legend to be included on front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared or the issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

<sup>4</sup> Legend to be included on front of the Final Terms if following the ICMA 1 "all bonds to all professionals" target market approach.

<sup>5</sup> Legend to be included on front of the Final Terms if following the ICMA 2 approach.

<sup>6</sup> Include for bonds that are not ESMA complex.

<sup>7</sup> Include for certain ESMA complex bonds. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability will be necessary. In addition, if the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

refining the manufacturers' target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]<sup>8</sup>.]

**[Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the SFA) - [To insert notice if classification of the Notes is not "[prescribed capital markets products] / [capital markets products other than prescribed capital markets products]", pursuant to Section 309B of the SFA or [Excluded Investment Products]/[Specified Investment Products] (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)]**

[Date]

**[Aegon N.V./ Aegon Funding Company LLC]**

**Legal entity identifier (LEI): [O4QK7KMMK83ITNTHUG69 / KEIOKM01PSK5VZ5CCI74]**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
[Guaranteed by Aegon N.V.] under the US\$ 6,000,000,000 Programme for the Issuance of Debt Instruments**

[Any person making or intending to make an offer of the 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) in those Public Offer Jurisdictions mentioned in Paragraph 9(viii) of Part B below, provided such person is one of the persons mentioned in Paragraph 9(viii) of Part B below and that such offer is made during the Offer Period specified for such purpose therein.]<sup>9</sup>

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]<sup>10</sup>

## **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 10 July 2019 [and the supplement[s] to it dated [date] [and [date]] (the **Base Prospectus**), which together with the Registration Document dated 10 July 2019 [and the supplement[s] to it dated [●]] (the **Registration Document**) constitutes a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus and the Registration Document. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Registration Document. A summary of the Notes (which comprises the summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. The Base Prospectus and the Registration Document are available for viewing during normal business hours at Aegon N.V., Aegonplein 50, 2591 TV The Hague, The Netherlands and [www.aegon.com](http://www.aegon.com) and copies may also be obtained from such address.

*[The following language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus or Prospectus with an earlier date. In the event the Base Prospectus or Prospectus with an*

<sup>8</sup> If the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II. If there are advised sales, a determination of suitability will be necessary.

<sup>9</sup> Include this legend where a non-exempt offer of Notes is anticipated.

<sup>10</sup> Do not include if the "Prohibition of Sales to EEA Retail Investors" legend is included (because the notes potentially constitute "packaged" products and no key information document will be prepared) and the related selling restriction is specified to be "Applicable".

*earlier date was not approved for the purpose of the Prospectus Directive, the Issuer shall publish a supplement to the current Base Prospectus in respect of this increase and such supplement shall be approved by the relevant listing or other competent authority prior to publication. In addition, depending on the type of notes issued under a first tranche, the Issuer will need to consider effecting the issue by means of a supplement to the Base Prospectus or a stand alone prospectus rather than by Final Terms. A stand alone prospectus will in any event be prepared for an increase of a tranche of an issue where the requirements of Annex XII to the Prospectus Directive Regulation apply.]*

[Terms used herein shall be deemed to be defined as such for the purposes of the conditions (the **Conditions**) set forth in the Base Prospectus dated [original date] which are incorporated by reference in the Base Prospectus dated 10 July 2019. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 10 July 2019, including the Conditions incorporated by reference in the Base Prospectus, [and the supplement[s] to it dated [date] [and [date]] (the **Base Prospectus**), which together with the Registration Document dated 10 July 2019 [and the supplement[s] to it dated [●]] (the **Registration Document**) constitutes a base prospectus for the purposes of the Prospectus Directive. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Registration Document. A summary of the Notes (which comprises the summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. Copies of such documents are available for viewing during normal business hours at the registered office of the Issuer, currently at Aegonplein 50, 2591 TV The Hague, The Netherlands and www.aegon.com and copies may also be obtained from such address.]

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

- |    |      |  |   |
|----|------|--|---|
| 1. | (a)  | Issuer:  | [Aegon N.V./ Aegon Funding Company LLC]   |
|    | [(b) | Guarantor  | [Aegon N.V.]]   |
| 2. | (a)  | Series Number:   | [       ]   |
|    | (b)  | Tranche Number:  | [       ]   |
|    | (c)  | Date on which the Notes will be consolidated and form a single Series: | The Notes will be consolidated and form a single Series with [ <i>identify earlier Tranches</i> ] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 22 below, which is expected to occur on or about [date]][Not Applicable] |
| 3. |      | Specified Currency or Currencies:                                      | [       ]   |
| 4. |      | Aggregate Nominal Amount:  |   |
|    | (a)  | Series:  | [       ]   |
|    | (b)  | Tranche:   | [       ]   |



5. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
6. (a) Specified Denominations: [ ]
- (in the case of Registered Notes, this means the minimum integral amount in which transfers can be made)*
- (N.B. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the €[1,000] minimum denomination is not required.)*
- (b) Calculation Amount: [ ]
- (If there is only one Specified Denomination, insert that Specified Denomination. If there is more than one Specified Denomination, insert the highest common factor. N.B. There must be a common factor in the case of two or more Specified Denominations)*
7. (a) Issue Date: [ ]
- (b) Interest Commencement Date: [Issue Date]
- [Not Applicable]
- [specify]
- [[specify] in respect of the [Fixed/Floating] Rate of interest and [specify] in respect of the [Floating/Fixed] Rate of interest] [if item 11 (Change of Interest Basis) is applicable only. Include both the initial Interest Commencement Date and the date from which change of interest occurs]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes.)*
8. Maturity Date: [Fixed rate - specify date/ Floating rate - Interest Payment Date falling in or nearest to [specify month]/Undated Notes]

9. Interest Basis: [[ ] per cent. Fixed Rate]  
[[LIBOR/EURIBOR] +/- [ ] per cent. Floating Rate]  
[Fixed Reset Rate]  
(further particulars specified below)
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis: [Fixed Rate to Floating Rate]  
[Floating Rate to Fixed Rate]  
Change of interest basis from and including [insert date]  
[Not Applicable]
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[(further particulars specified below under item 18 and 19)]  
[Not Applicable]
13. (a) Status of the Notes: Senior
- (b) [Date [Board] approval for issuance of Notes obtained: [ ]  
(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)

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

14. Fixed Rate Note Provisions [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [[ ] in each year up to and including the Maturity Date]  
(N.B. This will need to be amended in the case of long or short coupons)
- (c) Fixed Coupon Amount(s): [ ] per Calculation Amount  
(Applicable to Notes in definitive form.)
- (d) Broken Amount(s): [[ ] per Calculation Amount payable on the Interest Payment Date falling in/on [ ]]  
(Applicable to Notes in definitive form.) [Not Applicable]
- (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]

(f) Determination Date(s): [[ ] in each year][Not Applicable]  
*(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))*

15. Fixed Reset Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(a) Initial Interest Rate: [ ] per cent. per annum payable in arrear on each Interest Payment Date

(b) Interest Payment Date(s): [[ ] in each year up to and including the Maturity Date]  
*(N.B. This will need to be amended in the case of long or short coupons)*

(c) Fixed Coupon Amount to (but excluding) the First Reset Date:  
*(Applicable to Notes in definitive form.)* [ ] per Calculation Amount

(d) Broken Amount(s): [[ ] per Calculation Amount payable on the Interest Payment Date falling in/on [ ]]  
*(Applicable to Notes in definitive form.)* [Not Applicable]

(e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]

(f) Determination Date(s): [[ ] in each year][Not Applicable]  
*(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))*

(g) First Reset Date: [ ]

(h) Second Reset Date: [ ]/[Not Applicable]

(i) Subsequent Reset Date(s): [ ][and [ ]]/[Not Applicable]

(j) Reset Determination Date: [first/second/specify] Business Day immediately preceding the relevant Reset Date

(k) Reset Determination Time: [11.00 a.m. (Central European Time)/specify]

(l) Reset Margin(s): [+/-][ ] per cent. per annum

(m) Mid-Swap Rate: [ ]

- (n) Fixed Reset Rate Relevant Screen Page: [      ]
- (o) Initial Mid-Swap Rate: [      ] per cent. per annum (quoted on a[n] annual/semi-annual basis)
16. Floating Rate Note Provisions [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Specified Period(s)/Specified Interest Payment Dates: [      ]
- (b) First Interest Payment Date: [      ]
- (c) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (d) Additional Business Centre(s): [      ]
- (e) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (f) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Fiscal Agent): [      ]
- (g) Screen Rate Determination:
- Reference Rate: Reference Rate: [      ] month  
[LIBOR/EURIBOR/specify other Reference Rate]
  - Interest Determination Date(s): [      ]  
(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET 2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
  - Relevant Screen Page: [      ]  
(In the case of EURIBOR, if not EURIBOR01 ensure it is a page which shows a composite rate or amend the fall-back provisions appropriately)

- (h) ISDA Determination:
- Floating Rate Option: [      ]
  - Designated Maturity: [      ]
  - Reset Date: [      ]  
*(In the case of a LIBOR or EURIBOR based option, the first day of the Interest Period)*
- (N.B. The fall-back provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provision by reference banks of offered quotations for LIBOR and/or EURIBOR which, depending on market circumstances, may not be available at the relevant time)*
- (i) Margin(s): [ +/- ] [      ] per cent. per annum
- (j) Minimum Rate of Interest: [      ] per cent. per annum
- (k) Maximum Rate of Interest: [      ] per cent. per annum
- (l) Day Count Fraction: [Actual/Actual (ISDA)  
Actual/365 (Fixed)  
Actual/365 (Sterling)  
Actual/360  
30/360  
30E/360  
30E/360 (ISDA)]

## PROVISIONS RELATING TO REDEMPTION

17. Tax Call:
- (a) Redemption date or dates: [      ]
  - (b) Early Redemption Amount (Tax): [      ] per Calculation Amount
18. Issuer Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): [      ]
  - (b) Early Redemption Amount (Call) of each Note and method, if any, of calculation of such amount(s): [      ] per Calculation Amount
  - (c) If redeemable in part:

(i) Minimum Redemption Amount: [ ]

(ii) Maximum Redemption Amount: [ ]

(d) Notice periods: [Minimum period: [ ] days  
Maximum period: [ ] days]/[As set out  
in Conditions]

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)*

19. Investor Put: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(a) Optional Redemption Date(s): [ ]

(b) Early Redemption Amount (Put) of each Note: [ ] per Calculation Amount

(c) Notice periods: [Minimum period: [ ] days  
Maximum period: [ ] days]/[As set out  
in Conditions]

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)*

20. Maturity Redemption Amount of each Note: [ ] per Calculation Amount

*(N.B. If the Maturity Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply. In such event, the Issuer will prepare a stand-alone prospectus which sets out the relevant information in relation to such derivative securities.)*

21. Early Termination Amount of each Note: [ ] per Calculation Amount

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. Form of Notes:

(a) [Form:]

[Bearer Notes:

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 45 days' notice given at any time/only upon an Exchange Event]]

*(In the event that these Final Terms for a particular series of Notes expressly provides that the Permanent Global Note is exchangeable for Definitive Notes at the request of the holder, such Notes will be issued with a single Specified Denomination (no integral multiples of a smaller denomination will be permitted))*

[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]]

[Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14 December 2005]<sup>11</sup>

[Registered Notes]

[(b) New Global Note:

[Yes][No]]

23. Relevant Financial Centre(s):

[Not Applicable/give details]

*(Note that this paragraph relates to the place of payment and not Interest Period end dates to which subparagraph 16(d) relates)*

24. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):

[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

---

<sup>11</sup> Include for Notes that are to be offered in Belgium.

## RESPONSIBILITY

The Issuer [and the Guarantor each] accepts responsibility for the information contained in these Final Terms. [[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer [and the Guarantor each] confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of the Issuer:

[Signed on behalf of the Guarantor:]

By: .....  
*Duly authorised*

By: .....  
*Duly authorised*



## PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING**
- (i) Application for admission to trading has been made to: [     ]
- (ii) Date from which admission is expected to be effective: [     ]
- (iii) Fungible instruments of the same Series admitted to trading on: [     ]

## 2. RATINGS

Ratings:

[The Notes to be issued [[have been]/[are expected to be]] rated [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms*]. [Each of [*defined terms*] is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**).]

[*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.*]

[*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.*)]

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

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business - *Amend as appropriate if there are other interests*]

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

## 4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

[(i) Reasons for the offer:

[     ]

[*(See ["Use of Proceeds"] wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)*]

[(ii)] Estimated net proceeds: [ ]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

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

## 5. YIELD *(Fixed Rate Notes only)*

Indication of yield: [ ]

[Calculated as [ ] on the Issue Date.]

## 6. HISTORIC INTEREST RATES *(Floating Rate Notes only)*

Details of historic and further [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].

## 7. OPERATIONAL INFORMATION

(i) ISIN Code: [ ]

(ii) Common Code: [ ]

(iii) CFI: [[See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

(iv) FISN: [[See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

(iii) Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, S.A. and Euroclear Nederland and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]

(iv) Delivery: Delivery [against/free of] payment

(v) Names and addresses of additional Paying Agent(s) (if any): [ ]

(vi) Deemed delivery of clearing system notices for the purposes of the Condition 14: Any notice delivered to Holders through the clearing systems will be deemed to have been given on the [second][business] day after the day on which it was given to Euroclear and Clearstream, Luxembourg.

[(vii) Intended to be held in a manner which would allow Eurosystem eligibility:

[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the new safekeeping structure (NSS),] *[include this text for Registered Notes which are to be held under the NSS]* and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the new safekeeping structure (NSS)] *[include this text for Registered Notes which are to be held under the NSS]*. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

## 8. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names and addresses of entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements: [Not Applicable][ ]
- (iii) Material features of the underwriting agreement including the quotas: [ ]
- (iv) Portion of the issue which is not underwritten: [Not Applicable][ ] per cent.]
- (v) Indication of the overall amount underwriting commission and [ ]

placing commission:

- (vi) Date of [Subscription] Agreement: [ ]
- (iv) Stabilising Manager(s) (if any): [Not Applicable/*give name*]
- (v) If non-syndicated, name and address of relevant Dealer: [*Name and address*]
- (vii) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/TEFRA C (or, with respect to TEFRA D or TEFRA C, any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) / TEFRA not applicable]
- (viii) Prohibition of sales to EEA Retail Investors [Applicable/Not Applicable]  
*(If the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)*
- (ix) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]  
*(N.B. advice should be taken from Belgian counsel before disapplying this selling restriction)]*
- (x) Non exempt Offer: [Not Applicable] [An offer of the Notes may be made by the Managers [, [*insert names of financial intermediaries receiving consent (specific consent)*] [and any additional financial intermediaries who have or obtain the Issuer's consent to use the Base Prospectus in connection with the Non-exempt Offer and who are identified on the Issuer's website at <http://www.aegon.com/en/Home/Investors/Managing-capital/Debt-Programs/> as an Offeror] (such financial intermediaries, together [with any financial intermediaries granted General Consent], being persons to whom the issuer has given consent, the **Offerors**) other than pursuant to Article 3(2) of the Prospectus Directive in [*specify relevant Member State(s) - which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)*] (**Public Offer Jurisdictions**) during the period from [*specify date*] until [*specify date or a formula such as "the Issue Date" or "the date which falls [.] Business Days thereafter"*] (**Offer Period**). See

further paragraph 9 below.

The address(es) of the Offeror(s) are as follows:  
*[insert addresses of relevant financial intermediaries].*

*(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)*

## **9. TERMS AND CONDITIONS OF THE OFFER**

*(Delete whole section if there is no Non-exempt Offer)*

Offer Price:	[Issue Price][specify]
Conditions to which the offer is subject:	[Not applicable/give details]
Offer Period:	See paragraph 8 above
Description of the application process:	[Not applicable/give details]
Details of the minimum and/or maximum amount of application:	[Not applicable/give details]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not applicable/give details]
Details of the method and time limits for paying up and delivering the Notes:	[Not applicable/give details]
Manner in and date on which results of the offer are to be made public:	[Not applicable/give details]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not applicable/give details]
Whether tranche(s) have been reserved for certain countries:	[Not applicable/give details]
Process for notification to applicants of the amount allotted and the indication whether dealing	[Not applicable/give details]

may begin before notification is made:

Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not applicable/*give details*]

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: The Financial Intermediaries identified in or in the manner specified in paragraph 8 above.

## **APPLICABLE FINAL TERMS TO THE NOTES WITH A DENOMINATION OF AT LEAST EUR 100,000**

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of at least EUR 100,000 (or its equivalent in any other currency).*

### **FINAL TERMS**

**[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 (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive 2016/97/EU (the **IDD**) 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 the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, 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.]<sup>12</sup>

<sup>13</sup>**[MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of 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. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers' 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 manufacturers' target market assessment) and determining appropriate distribution channels.]

**OR**

<sup>14</sup>**[MiFID II product governance / Retail investors, professional investors and ECPs** – Solely for the purposes of 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, professional clients and retail clients, each as defined in MiFID II; ***EITHER***<sup>15</sup> [and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] ***OR***<sup>16</sup> [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[, / and] portfolio management[, / and] [non-advised sales] [and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers' 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 manufacturers' target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]<sup>17</sup>.]

<sup>12</sup> Legend to be included on front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared or the issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

<sup>13</sup> Legend to be included on front of the Final Terms if following the ICMA 1 "all bonds to all professionals" target market approach.

<sup>14</sup> Legend to be included on front of the Final Terms if following the ICMA 2 approach.

<sup>15</sup> Include for bonds that are not ESMA complex.

<sup>16</sup> Include for certain ESMA complex bonds. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability will be necessary. In addition, if the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

<sup>17</sup> If the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of

**[Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the SFA) - [To insert notice if classification of the Notes is not “[prescribed capital markets products] / [capital markets products other than prescribed capital markets products]”, pursuant to Section 309B of the SFA or [Excluded Investment Products]/[Specified Investment Products] (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)]**

[Date]

**[Aegon N.V./ Aegon Funding Company LLC]**

**Legal entity identifier (LEI): [O4QK7KMMK83ITNTHUG69 / KEIOKM01PSK5VZ5CCI74]**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
[Guaranteed by Aegon N.V.] under the US\$ 6,000,000,000 Programme for the Issuance of Debt Instruments**

## **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 10 July 2019 [and the supplement[s] to it dated [date] [and [date]] (the **Base Prospectus**), which together with the Registration Document dated 10 July 2019 [and the supplement[s] to it dated [●]] (the **Registration Document**) constitutes a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus and the Registration Document. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Registration Document. The Base Prospectus and the Registration Document are available for viewing during normal business hours at Aegon N.V., Aegonplein 50, 2591 TV The Hague, The Netherlands and [www.aegon.com](http://www.aegon.com) and copies may also be obtained from such address.

*[The following language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus or Prospectus with an earlier date. In the event the Base Prospectus or Prospectus with an earlier date was not approved for the purpose of the Prospectus Directive, the Issuer shall publish a supplement to the current Base Prospectus in respect of this increase and such supplement shall be approved by the relevant listing or other competent authority prior to publication. In addition, depending on the type of notes issued under a first tranche, the Issuer will need to consider effecting the issue by means of a supplement to the Base Prospectus or a stand alone prospectus rather than by Final Terms. A stand alone prospectus will in any event be prepared for an increase of a tranche of an issue where the requirements of Annex XII to the Prospectus Directive Regulation apply.]*

[Terms used herein shall be deemed to be defined as such for the purposes of the conditions (the **Conditions**) set forth in the Base Prospectus dated [original date] which are incorporated by reference in the Base Prospectus dated 10 July 2019. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 10 July 2019, including the Conditions incorporated by reference in the Base Prospectus, [and the supplement[s] to it dated [date] [and [date]] (the **Base Prospectus**), which together with the Registration Document dated 10 July 2019 [and the supplement[s] to it dated [●]] (the **Registration Document**) constitutes a base prospectus for the purposes of the Prospectus Directive. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Registration Document. Copies of such documents are available for viewing during normal business hours at the registered office of the Issuer, currently at Aegonplein 50, 2591 TV The Hague, The Netherlands and [www.aegon.com](http://www.aegon.com) and copies may also be obtained from such address.]



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

*[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be €100,000 or its equivalent in any other currency.]*

1. (a) Issuer: [Aegon N.V./ Aegon Funding Company LLC]
  - (b) [Guarantor: [Aegon N.V.]]
  2. (a) Series Number: [ ]
  - (b) Tranche Number: [ ]
  - (c) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [*identify earlier Tranches*] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 25 below, which is expected to occur on or about [*date*]] [Not Applicable]
  3. Specified Currency or Currencies: [ ]
  4. Aggregate Nominal Amount:
    - (a) Series: [ ]
    - (b) Tranche: [ ]
  5. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
  6. (a) Specified Denominations: [ ]
- (in the case of Registered Notes, this means the minimum integral amount in which transfers can be made)*

*(Note – where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:*

*"[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]."*<sup>18</sup>

*Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.*

*(N.B. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the €100,000 minimum denomination is not required.)*

(b) Calculation Amount: [ ]

*(If only one Specified Denomination, insert the Specified Denomination. If there is more than one Specified Denomination, insert the highest common factor. N.B.: There must be a common factor in the case of two or more Specified Denominations.)*

7. (a) Issue Date: [ ]

(b) Interest Commencement Date: [Issue Date]

[Not Applicable]

[specify]

*[[specify] in respect of the [Fixed/Floating] Rate of interest and [specify] in respect of the [Floating/Fixed] Rate of interest] [if item 11 (Change of Interest Basis) is applicable only. Include both the initial Interest Commencement Date and the date from which change of interest occurs]*

*(N.B. An Interest Commencement Date will not be relevant for certain Notes.)*

8. Maturity Date: [Fixed rate - specify date/  
Floating rate - Interest Payment Date falling in or nearest to [specify month]/Undated Notes]

<sup>18</sup> Delete if notes being issued are in registered form.

9. Interest Basis: [[ ] per cent. Fixed Rate]  
[[LIBOR/EURIBOR] +/- [ ] per cent. Floating Rate]  
[Fixed Reset Rate]  
(further particulars specified below)
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis: [Fixed Rate to Floating Rate]  
[Floating Rate to Fixed Rate]  
Change of interest basis from and including [insert date]  
[Not Applicable]
12. Put/Call Options: [Investor Put] (*Senior Notes only*)  
[Issuer Call]  
[Regulatory Call]  
[Rating Call]  
[Accounting Event]  
[(further particulars specified below under item 19, 20, 21 and 22)]  
[Not Applicable]
13. (a) Status of the Notes: [Senior]  
[[Dated/Undated (Perpetual)] Subordinated Notes  
([Tier 2 Notes/Tier 3 Notes])]
- (b) [Date [Board] approval for issuance of Notes obtained: [ ]]  
  
(*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee*)

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

14. Fixed Rate Note Provisions [Applicable/Not Applicable]  
(*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (a) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [[ ] in each year up to and including the Maturity Date]  
(*N.B. This will need to be amended in the case of long or short coupons*)
- (c) Fixed Coupon Amount(s): [ ] per Calculation Amount  
(*Applicable to Notes in definitive form.*)

- (d) Broken Amount(s): [ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ] [Not Applicable]  
(Applicable to Notes in definitive form.)
- (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (f) Determination Date(s): [[ ] in each year][Not Applicable]  
(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon  
N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))]
15. Fixed Reset Note Provisions [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Initial Interest Rate: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [[ ] in each year up to and including the Maturity Date]  
  
(N.B. This will need to be amended in the case of long or short coupons)
- (c) Fixed Coupon Amount to (but excluding) the First Reset Date: [ ] per Calculation Amount  
(Applicable to Notes in definitive form.)
- (d) Broken Amount(s): [[ ] per Calculation Amount payable on the Interest Payment Date falling in/on [ ]] [Not Applicable]  
(Applicable to Notes in definitive form.)
- (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (f) Determination Date(s): [[ ] in each year][Not Applicable]  
(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon  
N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))]
- (g) First Reset Date: [ ]
- (h) Second Reset Date: [ ]/[Not Applicable]
- (i) Subsequent Reset Date(s): [ ]/[and [ ]]/[Not Applicable]
- (j) Reset Determination Date: [first/second/specify] Business Day immediately preceding the relevant Reset Date

- (k) Reset Determination Time: [11.00 a.m. (Central European Time)/specify]
- (l) Reset Margin(s): [ +/- ][ ] per cent. per annum
- (m) Mid-Swap Rate: [ ]
- (n) Fixed Reset Rate Relevant Screen Page: [ ]
- (o) Initial Mid-Swap Rate: [ ] per cent. per annum (quoted on a[n] annual/semi-annual basis)
16. Floating Rate Note Provisions: [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Specified Period(s)/Specified Interest Payment Dates: [ ]
- (b) First Interest Payment Date: [ ]
- (c) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
- (d) Additional Business Centre(s): [ ]
- (e) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (f) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Fiscal Agent): [ ]
- (g) Screen Rate Determination:
- Reference Rate: Reference Rate: [ ] month [LIBOR/EURIBOR/specify other Reference Rate].
  - Interest Determination Date(s): [ ]  
(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET 2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)

- Relevant Screen Page: [     ]  
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fall-back provisions appropriately)

(h) ISDA Determination:

- Floating Rate Option: [     ]
- Designated Maturity: [     ]
- Reset Date: [     ]  
(In the case of a LIBOR or EURIBOR based option, the first day of the Interest Period)

*(N.B. The fall-back provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provision by reference banks of offered quotations for LIBOR and/or EURIBOR which, depending on market circumstances, may not be available at the relevant time)*

- (i) Margin(s): [ +/- ] [     ] per cent. per annum
- (j) Minimum Rate of Interest: [     ] per cent. per annum
- (k) Maximum Rate of Interest: [     ] per cent. per annum
- (l) Day Count Fraction: [Actual/Actual (ISDA)  
Actual/365 (Fixed)  
Actual/365 (Sterling)  
Actual/360  
30/360  
30E/360  
30E/360 (ISDA)]

17. Deferral of Interest on Subordinated Notes: [Applicable/Not Applicable]

- (a) Payment of Arrears of Interest: As set out in Conditions
- (b) Condition 5D(a) applies: [Yes/No]

*(Include for Tier 3 Notes only)*

## PROVISIONS RELATING TO REDEMPTION

18. Tax Call:

- (a) Redemption date or dates: [     ]
- (b) Early Redemption Amount (Tax): [     ] per Calculation Amount

19. Issuer Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]
- (b) Early Redemption Amount (Call) and method, if any, of calculation of such amount(s): [ ] per Calculation Amount
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [ ]
- (ii) Maximum Redemption Amount: [ ]
- (d) Notice periods: [Minimum period: [ ] days  
Maximum period: [ ] days]/[As set out in Conditions]
20. Investor Put: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]
- (b) Early Redemption Amount (Put) of each Note: [ ] per Calculation Amount
- (c) Notice periods: [Minimum period: [ ] days  
Maximum period: [ ] days]/[As set out in Conditions]  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)*
21. Regulatory Call: [Applicable/Not Applicable]
- (a) Redemption date or dates: [ ]
- (b) Category under the Capital Adequacy Regulations: [Tier 2/Tier 3/specify]
- (c) Early Redemption Amount (Regulatory) of each Note: [ ] per Calculation Amount
22. Rating Call: [Applicable/Not Applicable]

- (a) Redemption date or dates: [ ]
- (b) Early Redemption Amount (Rating) of each Note: [ ] per Calculation Amount
23. Accounting Event: [Applicable/Not Applicable]
- (a) Redemption date or dates: [ ]
- (b) Early Redemption Amount (Accounting Event) of each Note: [ ] per Calculation Amount
24. Maturity Redemption Amount of each Note: [[ ] per Calculation Amount  
*(N.B. If the Maturity Redemption Amount is other than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply. In such event, the Issuer will prepare a stand-alone prospectus which sets out the relevant information in relation to such derivative securities.)*
25. Early Termination Amount of each Note: [ ] per Calculation Amount

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

26. Form of Notes:
- (a) [Form:] [Bearer Notes:
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 45 days' notice given at any time/only upon an Exchange Event]]
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]]
- [Registered Notes]
- [Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14 December 2005]<sup>19</sup>

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<sup>19</sup> Include for Notes that are to be offered in Belgium.



*(N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)<sup>20</sup>*

(b) [New Global Note:

[Yes][No]]

27. Relevant Financial Centre(s):

[Not Applicable/give details]

*(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 16(d) relates)*

28. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):

[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

## RESPONSIBILITY

The Issuer [and the Guarantor each] accepts responsibility for the information contained in these Final Terms. *[[Relevant third party information]* has been extracted from *[specify source]*. The Issuer [and the Guarantor each] confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by *[specify source]*, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of [name of the Issuer]:

[Signed on behalf of [name of the Guarantor]:

By: .....

By: .....

*Duly authorised*

*Duly authorised]*

<sup>20</sup> Delete if the notes being issued are in registered form.

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Listing and Admission to trading
- (i) Application for admission to trading has been made to: [ ]
- (ii) Date from which admission is expected to be effective: [ ]
- (iii) Fungible instruments of the same Series admitted to trading on: [ ]
- (ii) Estimate of total expenses related to admission to trading: [ ]

### 2. RATINGS

Ratings: [The Notes to be issued [[have been]/[are expected to be]] rated [insert details] by [insert credit rating agency full legal name(s)] and associated defined terms]. Each of [defined terms] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**).]

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

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

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business - *Amend as appropriate if there are other interests*]

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

### 4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- [(i) Reasons for the offer: [ ]
- [(ii)] Estimated net proceeds: [ ]
- [(iii)] Estimated total expenses: [ ]]

**5. YIELD** (*Fixed Rate Notes only*)

Indication of yield: [ ]

**6. OPERATIONAL INFORMATION**

(i) ISIN Code: [ ]

(ii) Common Code: [ ]

(iii) CFI: [[See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

(iv) FISN: [[See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

(v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and Euroclear Nederland and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]

(vi) Delivery: Delivery [against/free of] payment

(vii) Names and addresses of additional Paying Agent(s) (if any): [ ]

(viii) Deemed delivery of clearing system notices for the purposes of Condition 14: Any notice delivered to Holders through the clearing systems will be deemed to have been given on the [second] [business] day after the day on which it was given to Euroclear and Clearstream, Luxembourg.

[(ix) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the new safekeeping structure (NSS),] [*include this text for Registered Notes which are to be held under the NSS*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the new safekeeping structure (NSS)] *[include this text for Registered Notes which are to be held under the NSS]*. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

## 7. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names of Managers: [Not Applicable/*give names*]
- (iii) Date of [Subscription] Agreement: [ ]
- (iv) Stabilising Manager(s) (if any): [Not Applicable/*give name*]
- (v) If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]
- (vi) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/TEFRA C (or, with respect to TEFRA D or TEFRA C, any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010)/TEFRA not applicable]]
- (vii) Prohibition of sales to EEA Retail Investors [Applicable/Not Applicable]  
*(If the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)*
- (viii) [Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]  
*(N.B. advice should be taken from Belgian counsel before disapplying this selling restriction)]*

## **USE OF PROCEEDS**

The net proceeds of the issue of each Tranche of Notes will be used by the relevant Issuer for general corporate purposes.

## TAXATION

### DUTCH TAXATION

#### General

The following summary outlines the principal Netherlands tax consequences of the acquisition, holding, settlement, redemption and disposal of the Notes, but does not purport to be a comprehensive description of all Netherlands tax considerations in relation thereto. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of an investment in the Notes.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Base Prospectus, and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Netherlands tax consequences for:

- (i) investment institutions (*fiscale beleggingsinstellingen*);
- (ii) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other entities that are exempt from Netherlands corporate income tax;
- (iii) holders of Notes holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in an Issuer and holders of Notes of whom a certain related person holds a substantial interest in an Issuer. Generally speaking, a substantial interest in an Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of an Issuer or of 5% or more of the issued capital of a certain class of shares of an Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in an Issuer;
- (iv) persons to whom the Notes and the income from the Notes are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and the Netherlands Gift and Inheritance Tax Act (*Successiewet 1956*); and
- (v) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Notes are attributable to such permanent establishment or permanent representative.

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

#### Withholding Tax

All payments made by the Issuers under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein. With respect to Notes issued by an Issuer that is considered to be a resident of the Netherlands for Netherlands tax purposes (a **Netherlands Issuer**), all payments made by such Netherlands Issuer under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or

taxing authority thereof or therein, provided that the Notes do not in fact function as equity of the Issuer within the meaning of article 10, paragraph 1, under d of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

## **Corporate and Individual Income Tax**

### **(a) Residents of the Netherlands**

If a holder is a resident or deemed to be a resident of the Netherlands for Netherlands tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of an enterprise to which the Notes are attributable, income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are generally taxable in the Netherlands (at up to a maximum rate of 25%).

If an individual is a resident or deemed to be a resident of the Netherlands for Netherlands tax purposes, income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are taxable at the progressive rates (at up to a maximum rate of 51.75%) under the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*), if:

- (i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Notes are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Notes are attributable; or
- (ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which include the performance by the individual of activities with respect to the Notes that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) above applies, an individual that holds the Notes, must determine taxable income with regard to the Notes on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on income from savings and investments is fixed at a percentage of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Notes will be included as an asset in the individual's yield basis. The deemed return percentage to be applied to the yield basis increases progressively depending on the amount of the yield basis. The deemed return on income from savings and investments is taxed at a rate of 30%.

### **(b) Non-residents of the Netherlands**

If a person is not a resident nor is deemed to be a resident of the Netherlands for Netherlands tax purposes, such person is not liable for Netherlands income tax in respect of income derived from the Notes and gains realised upon the settlement, redemption or disposal of the Notes, unless:

- (i) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Notes are attributable, or (2) is (other than by way of securities) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Notes are attributable.

This income is subject to Netherlands corporate income tax at up to a maximum rate of 25%.

- (ii) the person is an individual and such person (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Notes are attributable, or (2) realises income or gains with respect to the Notes that qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*) in the Netherlands, which activities include the performance of activities in the Netherlands with respect to the Notes which exceed regular, active portfolio management (*normaal, actief vermogensbeheer*), or (3) is (other than by way of securities) entitled to a share in the profits of an enterprise which is effectively managed in the Netherlands and to which enterprise the Notes are attributable.

Income derived from the Notes as specified under (1) and (2) is subject to individual income tax at up to a maximum rate of 51.75%. Income derived from a share in the profits in an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on income from savings and investments (as described above under "Residents of the Netherlands"). The fair market value of the share in the profits of the enterprise (which includes the Notes) will be part of the individual's Netherlands yield basis.

### **Gift and Inheritance Tax**

(a) Residents of the Netherlands

Generally, gift and inheritance tax will be due in the Netherlands in respect of the acquisition of the Notes by way of a gift by, or on behalf of, or on the death of, a holder that is a resident or deemed to be a resident of the Netherlands for the purposes of Netherlands gift and inheritance tax at the time of the gift or his or her death. A gift made under a condition precedent is deemed to be made at the time the condition precedent is fulfilled and is subject to Netherlands gift and inheritance tax if the donor is, or is deemed to be a resident of the Netherlands at that time.

A holder of Netherlands nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands gift and inheritance tax if he or she has been resident in the Netherlands and dies or makes a gift within ten years after leaving the Netherlands. A holder of any other nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands gift tax if he or she has been resident in the Netherlands and makes a gift within a twelve months period after leaving the Netherlands. The same twelve-month rule may apply to entities that have transferred their seat of residence out of the Netherlands.

(b) Non-residents of the Netherlands

No gift or inheritance taxes will arise in the Netherlands in respect of the acquisition of the Notes by way of a gift by, or as a result of, the death of a holder that is neither a resident nor deemed to be a resident of the Netherlands for the purposes of Netherlands gift and inheritance tax, unless in the case of a gift of the Notes by, or on behalf of, a holder who at the date of the gift was neither a resident nor deemed to be a resident of the Netherlands, such holder dies within 180 days after the date of the gift, and at the time of his or her death is a resident or deemed to be a resident of the Netherlands. A gift made under a condition precedent is deemed to be made at the time the condition precedent is fulfilled.

### **Value Added Tax**

In general, no value added tax will arise in respect of payments in consideration for the issue of the Notes or in respect of a cash payment made under the Notes, or in respect of a transfer of Notes.



## Other Taxes and Duties

No registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Notes.

## U.S. TAXATION IN RELATION TO NOTES HELD BY NON-U.S. HOLDERS

This general summary describes certain United States federal income tax consequences to non-U.S. Holders (as defined below) of the purchase, ownership and disposition of Notes. Except as specified below, this discussion relates solely to Notes issued under the Programme that qualify as debt for U.S. federal income tax purposes and does not address Notes with special features such as a perpetual term. Further, except as specified below, this discussion does not address tax consequences relevant to United States persons (as defined below) and does not address the treatment of persons subject to special tax rules, including, without limitation, financial institutions, insurance companies, dealers or traders in securities or currencies, regulated investment companies, real estate investment trusts, persons that will hold the Notes as part of a "hedging" or "conversion" transaction or as a position in a "straddle" for U.S. federal income tax purposes, private foundations or other tax exempt organizations, former citizens or residents of the United States, grantor trusts, controlled foreign corporations and passive foreign investment companies, and partnerships and other pass-through entities and persons holding interests therein. If a partnership is a beneficial owner of a Note, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. Further, this discussion does not address any tax consequences applicable to holders of equity in a holder of the Notes.

In addition, this discussion does not consider the implications of the possible applicability of tax treaties. Persons considering the purchase, ownership or disposition of Notes should consult their own tax advisers concerning the United States federal income tax consequences of the purchase, ownership and disposition of such Notes, and the implications of their particular situations thereto, as well as any consequences arising under the laws of any other taxing jurisdiction. Furthermore, this discussion is based upon the Internal Revenue Code of 1986 as amended (the **Code**), the legislative history thereof, final, temporary, and proposed regulations thereunder, and rulings and judicial decisions thereunder as of the date hereof. Such authorities may be repealed, revoked or modified (including changes in effective dates, and possibly with retroactive effect) so as to result in United States federal income tax consequences different from those discussed below.

As used herein, the term **non-U.S. Holder** means any beneficial owner of a Note who is not a United States person. The term **United States person** means (a) any individual who is (or is treated as) a citizen or resident of the United States, (b) a corporation, partnership or other entity created or organized in or under the laws of the United States or, in the case of a partnership, otherwise treated as a United States person under applicable U.S. treasury regulations, (c) an estate the income of which is subject to United States federal income taxation regardless of its source, or (d) a trust (i) the administration of which is subject to the primary supervision of a United States court and which has one or more United States persons who have the authority to control all substantial decisions of the trust, or (ii) that has a valid election in effect under applicable U.S. treasury regulations to be treated as a United States person.

## General

Generally, and subject to the discussion below under "*US Foreign Account Tax Compliance Act Withholding*", payments of principal and interest on the Notes issued by Aegon will not be subject to U.S. withholding taxes, backup withholding or information reporting.

With respect to Notes issued by AFC, under present United States federal income tax law payments of principal of and interest on the Notes to a non-U.S. Holder will not be subject to United States federal income or withholding tax, provided that in the case of interest or original issue discount (i) the non-U.S. Holder (A) does not actually or constructively own 10% or more of the total combined voting power of all

classes of stock of AFC entitled to vote within the meaning of the Code, (B) is not a controlled foreign corporation related within the meaning of the Code to AFC, and (C) is not a bank for U.S. federal income tax purposes whose receipt of interest is in connection with an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business; (ii) no interest payable with respect to the Notes is “contingent interest” within the meaning of the Code; (iii) the beneficial owner timely certifies under penalties of perjury, among other things, that the owner is not a “United States person,” as defined in the Code, and provides such owner’s name and address, and all other elements of the applicable certification requirements are satisfied; (iv) income on the Notes is not effectively connected with the conduct of a trade or business within the United States; and (v) the non-U.S. Holder has provided any required information with respect to its direct and indirect U.S. owners and, if the Notes are held through or by a non-U.S. financial institution (**FFI**) (as defined by FATCA), such FFI has entered into and is in compliance with an agreement with the U.S. government to collect and provide to the U.S. tax authorities information about its direct and indirect United States accounts (or is entitled to the benefits of an intergovernmental agreement between a jurisdiction and the United States and is in compliance with the applicable implementing legislation (as discussed in more detail below under “*U.S. Foreign Account Tax Compliance Act Withholding*”).

With respect to Notes issued by Aegon or AFC, a non-U.S. Holder generally will not be subject to United States federal income tax on gain realized on the sale, exchange, redemption or other disposition of such Note unless (i) such gain is (or is treated as) effectively connected with a United States trade or business or (ii) in the case of a non-U.S. Holder who is an individual, the individual is present in the United States for a total of 183 days or more during the taxable year in which such gain is realized, the non-U.S. Holder has provided any required information with respect to its direct and indirect U.S. owners and, if the Notes are held through or by an FFI, such FFI has entered into and is in compliance with an agreement with the U.S. government to collect and provide to the U.S. tax authorities information about its direct and indirect United States accounts (or is entitled to the benefits of an intergovernmental agreement between a jurisdiction and the United States and is in compliance with the applicable implementing legislation (as discussed in more detail below under “*U.S. Foreign Account Tax Compliance Act Withholding*”).

### **Backup Withholding and Information Reporting**

Backup withholding generally will not apply to payments by AFC to a non-U.S. Holder of principal or interest on Notes if the certifications required for such Notes, described above, are received. Payments of interest to a non-U.S. Holder on a Note in registered form will be reported to the U.S. Internal Revenue Service (**IRS**) and to the holder.

Payments of proceeds of the sale, exchange or other disposition of a Note effected by a broker at an office outside the United States generally will not be subject to backup withholding if the proceeds are paid to an account that the holder maintains at a financial institution outside the United States. However, if such broker is (a) a United States person, (b) a controlled foreign corporation for United States tax purposes, (c) a foreign person, 50% or more of the gross income of which is effectively connected with a United States trade or business for a specified period or (d) a foreign partnership that at any time during its taxable year is 50% or more owned by United States persons or is engaged in a U.S. trade or business, information reporting will be required with respect thereto unless the broker has in its records documentary evidence that the beneficial owner is not a United States person and certain other conditions are met or the beneficial owner otherwise establishes an exemption. Payments of principal or interest on a Note or the proceeds of a disposition of a Note effected at a United States office of a broker will be subject to backup withholding and information reporting, unless the holder certifies under penalties of perjury that it is not a United States person or otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against the beneficial owner’s United States federal income tax liability provided the required information is furnished to the IRS in a timely manner.

## U.S. Foreign Account Tax Compliance Act Withholding

FATCA imposes a reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any FFI that does not become a **Participating FFI** by entering into an agreement with the IRS to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States account" of the relevant Issuer (a **Recalcitrant Holder**). Aegon is classified as an FFI.

The withholding regime is now in effect for payments from sources within the United States (including payments made by AFC) and will apply to foreign passthru payments (a term not yet defined) no earlier than the date that is two years after the date on which final regulations defining foreign pass thru payments are published.

This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued or materially modified after the **grandfathering date**, which is (a) in respect of Notes issued by AFC, 1 July 2014 and (b) in respect of Notes issued by Aegon, the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register; and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued on or before the relevant grandfathering date, and additional Notes of the same series are issued after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an **IGA**). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a **Reporting FI** not subject to withholding under FATCA on any payments it receives. Further, an FFI in an IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being **FATCA Withholding**) from payments it makes. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and the Netherlands have entered into an agreement (the **US-Netherlands IGA**) based largely on the Model 1 IGA.

If Aegon is treated as a Reporting FI pursuant to the US-Netherlands IGA it does not anticipate that it will be obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that Aegon will be treated as a Reporting FI, or that it would in the future not be required to deduct FATCA Withholding from payments it makes. AFC (and Aegon if it becomes a Participating FFI), as well as financial institutions through which payments on the Notes are made, may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

Whilst the Notes are held within the ICSDs, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by any Issuer, any paying agent, common depositary or common safekeeper, given that each of the entities in the payment chain between each Issuer and the participants in the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the clearing systems. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive Notes will only be printed in remote circumstances.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and the US-Netherlands IGA, all of which are subject to change or may be implemented in a materially different form.

THE UNITED STATES FEDERAL TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION OR IN RELATION TO NOTES TREATED AS OTHER THAN DEBT FOR US FEDERAL INCOME TAX PURPOSES. INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISERS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES, INCLUDING THE TAX CONSEQUENCES UNDER FEDERAL, STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN UNITED STATES OR OTHER TAX LAWS.

### **THE PROPOSED FINANCIAL TRANSACTIONS TAX**

On 14 February 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common financial transactions tax (**FTT**) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). However, Estonia has since stated that it will not participate.

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

Under Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the Commission's Proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

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

## SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Barclays Bank Ireland PLC, Barclays Bank PLC, BNP Paribas, BofA Securities Europe SA, Citigroup Global Markets Europe AG, Citigroup Global Markets Limited, Deutsche Bank AG, London Branch, HSBC Bank plc, ING Bank N.V., J.P. Morgan Securities plc, Merrill Lynch International, Morgan Stanley & Co. International plc, NatWest Markets N.V. (the **Dealers**). Notes may also be sold by the Issuers direct to institutions who are not Dealers. The arrangements under which Notes may from time to time be agreed to be sold by an Issuer to, and purchased by, Dealers are set out in an amended and restated dealership agreement dated 10 July 2019 (the **Dealership Agreement**) and made between the Issuers and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the relevant Issuer in respect of such purchase. The Dealership Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

Each Dealer has agreed to comply with the following provisions except to the extent that, as a result of any change(s) in, or in the official interpretation of, any applicable laws and/or regulations, non-compliance would not result in any breach of the provisions below.

### United States of America

Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to or for the account or benefit of U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form issued by Aegon 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 U.S. persons, except in certain transactions permitted by U.S. tax regulations. Terms used in the preceding sentence have the meanings given to them by the Code and the Treasury regulations promulgated thereunder.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Dealership Agreement, it will not offer, sell or deliver Notes, (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, as certified to the Fiscal Agent or the relevant Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to Notes of such Tranche purchased by or through it, in which case the Fiscal Agent or the relevant Issuer shall notify each such Dealer when all such Dealers have so certified) within the United States or to or for the account or benefit of U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes during the restricted period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to or for the account or benefit of U.S. persons. In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the Securities Act.

Each Tranche of Notes will also be subject to such further United States selling restrictions as the relevant Issuer and the relevant Dealer(s) may agree and as indicated in the relevant Final Terms.

## Prohibition of sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression **retail investor** means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
  - (ii) a customer within the meaning of Directive 2016/97/EU (the **IDD**), 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 or superseded, the **Prospectus Directive**); and
- (b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

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

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes 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, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

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

For the purposes of this provision:

- the expression an **offer of Notes to the public** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State; and
- the expression **Prospectus Directive** means Directive 2003/71/EC (as amended or superseded), and includes any relevant implementing measure in each Relevant Member State.

### **United Kingdom**

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

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the relevant Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the relevant Issuer or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **France**

#### **(a) Offer to the public in France**

Each of the Dealers and the Issuers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has only made and will only make an offer of Notes to the public (*appel public à l'épargne*) in France in the period beginning (i) when a prospectus in relation to those Notes has been approved by the Autorité des marchés financiers (AMF), on the date of such publication or, (ii) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the EU Prospectus Directive 2003/71/EC, on the date of notification of such approval to the AMF, and ending at the latest on the date which is 12 months after the date of approval of the Base Prospectus, all in accordance with articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF.

(b) **Private placement in France**

Each of the Dealers and the Issuers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*), other than individuals all as defined in, and in accordance with, articles L.411-1, L.411-2, D.411-1 and D.411-44 of the French *Code monétaire et financier*.

**Belgium**

Other than in respect of Notes for which "Prohibition of Sales to Belgian Consumers" is specified as "Not Applicable" in the applicable Final Terms, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a **Belgian Consumer**) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

**Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the **FIEA**) and each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Act (Act No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and any applicable laws, regulations and ministerial guidelines of Japan.

**Hong Kong**

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

- a. it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (**SFO**) and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the **CWUMPO**) or which do not constitute an offer to the public within the meaning of the CWUMPO; and
- b. it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.



## Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the **SFA**)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor;
- b. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes pursuant to an offer under Section 275 of the SFA except:

1. to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
2. where no consideration is or will be given for the transfer;
3. where the transfer is by operation of law;
4. as specified in Section 276(7) of the SFA; or
5. as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

**Notification under Section 309B(1)(c) of the SFA** – Unless otherwise stated in the Final Terms in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## Switzerland

This document is not intended to constitute an offer or solicitation to purchase or invest in the Notes described herein. The Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material

relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations and neither this document nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

## **General**

Save for having obtained the approval of this document by the AFM, no action has been or will be taken in any country or jurisdiction by the relevant Issuer or the Dealers that is intended to permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Base Prospectus and any Final Terms comes are required by the relevant Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

## GENERAL INFORMATION

1. The update and amendment of the Programme was authorised by resolutions of the Executive Board (*Raad van Bestuur*) of Aegon on 20 March 2006 and 8 July 2019 and of the Board of Directors of AFC on 10 July 2019.
2. Aegon is involved in litigation in the ordinary course of business, including litigation where compensatory or punitive damages and mass or class relief are sought. In particular, certain current and former customers, and groups representing customers, have initiated litigation and certain groups are encouraging others to bring lawsuits in respect of certain products. Aegon has established litigation policies to deal with the claims defending when the claim is without merit and seeking to settle in certain circumstances. There can be no assurances that Aegon will be able to resolve existing litigation in the manner it expects or that existing or future litigation will not result in unexpected liability. For a detailed description of litigation procedures in which Aegon is involved, please refer to section 8 (*Legal and arbitration proceedings, regulatory investigations and actions*) of the Registration Document.

There has been no material adverse change in the prospects of Aegon Group since the last published audited financial statements of 31 December 2018. Furthermore there has been no significant change in the financial or trading position of Aegon Group since the last published audited financial statements of 31 December 2018.

3. The financial statements of Aegon have been audited for the three years ended 31 December 2016, 31 December 2017 and 31 December 2018 by PricewaterhouseCoopers Accountants N.V., an independent registered public accounting firm located at Thomas R. Malthusstraat 5, 1066 JR, Amsterdam, The Netherlands, as stated in their auditor's reports incorporated by reference herein. The auditor signing the auditor's reports on behalf of PricewaterhouseCoopers Accountants N.V. is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).
4. AFC does not have independently audited financial data. It is not required to publish audited financial data. AFC's financial data are included in Aegon's financial data, which are audited. There is no published financial data available for AFC.
5. For so long as the Programme remains in effect or any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents may be inspected during normal business hours at the specified office of the Fiscal Agent and Principal Registrar and from the registered office of the Issuers, namely:
  - (a) the articles of association (*statuten*) of Aegon;
  - (b) the limited liability company agreement (articles of association) of AFC;
  - (c) the Base Prospectus in relation to the Programme, together with any amendments or supplements thereto and any document incorporated therein by reference;
  - (d) the Issue and Paying Agency Agreement;
  - (e) the Guarantee;
  - (f) the most recent publicly available audited consolidated financial statements of Aegon beginning with such financial statements for the years ended 31 December 2016, 2017 and 2018 and any interim financial statements published subsequently; and

(g) any Final Terms.

6. The yield for any particular Series of Notes will be specified in the applicable Final Terms and will be calculated on the basis of the compound annual rate of return if the relevant Notes were to be purchased at the Issue Price on the Issue Date and held to maturity. Set out below is an example formula for the purposes of calculating the yield of Fixed Rate Notes. The Final Terms in respect of any Floating Rate Notes and Fixed Reset Notes will not include any indication of yield.

$$\text{Issue Price} = \text{Rate of Interest} * \frac{1 - \left( \frac{1}{(1 + \text{Yield})^n} \right)}{\text{Yield}} + \left[ \text{Final Redemption Amount} * \frac{1}{(1 + \text{Yield})^n} \right]$$

Where:

“Rate of Interest” means the Rate of Interest expressed as a percentage as specified in the applicable Final Terms and adjusted according to the frequency i.e. for a semi-annual paying Note, the rate of interest is half the stated annualised rate of interest in the Final Terms;

“Yield” means the yield to maturity calculated on a frequency commensurate with the frequency of interest payments as specified in the applicable Final Terms; and

“n” means the number of interest payments to maturity.

Set out below is a worked example illustrating how the yield on a Series of Fixed Rate Notes could be calculated on the basis of the above formula. It is provided for purposes of illustration only and should not be taken as an indication or prediction of the yield for any Series of Notes; it is intended merely to illustrate the way which the above formula could be applied.

Where:

N = 6

Rate of Interest = 3.875%

Issue Price = 99.392

Final Redemption Amount = 100

$$99.392 = 3.875 * \frac{1 - \left( \frac{1}{(1 + \text{Yield})^6} \right)}{\text{Yield}} + \left[ 100 * \frac{1}{(1 + \text{Yield})^6} \right]$$

Yield = 3.99% (calculated by iteration)

The yield specified in the applicable Final Terms in respect of a Series of Notes will not be an indication of future yield.

7. The Notes have been accepted for clearance through Euroclear Nederland, Euroclear and Clearstream, Luxembourg. The appropriate common code and International Securities Identification Number in relation to the Notes of each Series and any other clearing system as shall have accepted the relevant Notes for clearance, will be specified in the Final Terms relating thereto. The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, the address of Clearstream, Luxembourg is Clearstream Banking, S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg and the address of Euroclear Nederland is Herengracht 459-469, 1017 BS Amsterdam.

8. Bearer Notes (other than Temporary Global Notes) issued by Aegon and any Coupon appertaining thereto will bear a legend substantially to the following effect: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code." The sections referred to in such legend provide that a United States person who holds a Bearer Note or Coupon generally will not be allowed to deduct any loss realised on the sale, exchange or redemption of such Bearer Note or Coupon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.
9. Settlement arrangements will be agreed between the relevant Issuer, the relevant Dealer and the Fiscal Agent or, as the case may be, the Registrar in relation to each Tranche of Notes.
10. Save as set out in the Final Terms, no Issuer intends to provide any post-issuance information in relation to the issue of any Notes.
11. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuers and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or Issuers' affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers routinely hedge their credit exposure to the Issuers consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

## **REGISTERED OFFICES**

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