

# OFFERING CIRCULAR



Be Life Confident

**AXA BELGIUM FINANCE (NL) B.V.**  
*(incorporated with limited liability in the Netherlands)*

**EUR 2,000,000,000**  
**Wholesale Debt Issuance Programme**

**unconditionally and irrevocably guaranteed by**

**AXA BANK BELGIUM S.A./N.V.**  
*(incorporated with limited liability in Belgium)*

Under this EUR 2,000,000,000 Wholesale Debt Issuance Programme (the **Programme**), AXA Belgium Finance (NL) B.V. (the **Issuer**) may from time to time issue notes (the **Notes**) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below) with a minimum denomination (subject to certain exceptions specified below) of EUR 50,000 (or the equivalent thereof in such other currency).

The payments of all amounts due in respect of the Notes will be unconditionally and irrevocably guaranteed by AXA Bank Belgium S.A./N.V. (the **Guarantor**).

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed EUR 2,000,000,000 (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 the Arranger specified under "Overview of the Programme" and any further Dealer appointed under the Programme from time to time by the Issuer (a **Dealer**), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

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

This Offering Circular has been approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the **AFM**) as the competent authority in the Issuer's home Member State pursuant to the Prospectus Directive.

Application has been made to Euronext Amsterdam N.V. for Notes issued under the Programme up to the expiry of 12 months from the date of this Prospectus to be admitted to trading on Eurolist by Euronext Amsterdam (**Euronext Amsterdam**).

References in this Programme to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to trading and listing on Euronext Amsterdam. Euronext Amsterdam is a regulated market for the purposes of Directive 93/22/EC (the **Investment Services Directive**) and for the purposes of Directive 2004/39/EC (the **Markets in Financial Instruments Directive**).

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 will be delivered to 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 Issuer, the Guarantor and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Issuer and the Guarantor 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 Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

**Arranger**

**ABN AMRO Bank N.V.**

The date of this Offering Circular is 20 July 2007.

**This Offering Circular comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the Prospectus Directive).**

**The Issuer and the Guarantor accept responsibility for the information contained in this Offering Circular. To the best of the knowledge of the Issuer and the Guarantor (each having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained in this Offering Circular has been accurately reproduced and, as far as the Issuer and the Guarantor are aware and able to ascertain from the information published by such third parties, does not omit anything likely to render the reproduced information inaccurate or misleading. The Issuer and the Guarantor accept responsibility accordingly.**

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

**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 Offering Circular or any other information provided by the Issuer or the Guarantor in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by the Issuer or the Guarantor in connection with the Programme.**

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

**Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Guarantor or any of the Dealers that any recipient of this Offering Circular 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 the Issuer and/or the Guarantor. Neither this Offering Circular 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 Issuer, the Guarantor or any of the Dealers to any person to subscribe for or to purchase any Notes.**

**Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer and/or 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 Issuer or the Guarantor during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.**

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, or for the account or benefit of, U.S. persons (see "*Subscription and Sale*").

This Offering Circular 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 Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Guarantor and the Dealers do not represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor or the Dealers which is intended to permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular 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 Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States and the European Economic Area (including the United Kingdom, the Netherlands and Belgium), see "*Subscription and Sale*".

All references in this document to *EUR*, euro and € refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended. In addition, all references to *U.S. dollars*, *U.S.\$* and \$ refer to United States dollars.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms 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, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the 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 shall be conducted in accordance with all applicable laws and regulations.

With regard to the offer of bearer securities in Belgium, the Belgian Law of 14 December 2005 which abolishes bearer securities as of 1st January 2008, prohibits their physical delivery with the exception of the delivery of individual or global bearer certificates to a securities settlement institution, a custodian or other institution with a view to converting the bearer securities into fungible account-based securities.

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## OVERVIEW OF THE PROGRAMME

*The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only and if appropriate, a supplemental Offering Circular will be published.*

This Overview constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive.

Words and expressions defined in "*Form of the Notes*" and "*Terms and Conditions of the Notes*" shall have the same meanings in this Overview.

Issuer:	AXA Belgium Finance (NL) B.V.
Guarantor:	AXA Bank Belgium S.A./N.V.
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. These are set out under " <i>Risk Factors</i> " below and include Operational Risk, Credit Risk and Market Risk. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under " <i>Risk Factors</i> " and include the fact that the Notes may not be a suitable investment for all investors, certain risks relating to the structure of particular Series of Notes and certain market risks.
Description:	Wholesale Debt Issuance Programme
Arranger:	ABN AMRO Bank N.V.
Dealer:	ABN AMRO Bank N.V.  and any other Dealers appointed in accordance with the Programme Agreement.
Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see " <i>Subscription and Sale</i> ") including the following restrictions applicable at the date of this Offering Circular.
Issuing and Principal Paying Agent:	Dexia Banque Internationale à Luxembourg, société anonyme
Programme Size:	Up to EUR 2,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuer and the

Guarantor may increase the amount of the Programme in accordance with the terms of the Programme Agreement.

Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Notes may be denominated in, any currency agreed between the Issuer and the relevant Dealer.
Redenomination:	The applicable Final Terms may provide that certain Notes may be redenominated in euro.
Maturities:	The Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
Issue Price:	Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be issued in bearer form as described in " <i>Form of the Notes</i> ".
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
Floating Rate Notes:	<p>Floating Rate Notes will bear interest at a rate determined:</p> <ul style="list-style-type: none"><li>(a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 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 of the relevant Series); or</li><li>(b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or</li><li>(c) on such other basis as may be agreed between the Issuer and the relevant Dealer.</li></ul>

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

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

Variable Rate Notes

Notes with respect to which payments of interest and/or the amount paid to redeem the Note at Maturity are linked or relate to a Reference Item(s) may be issued on such terms as may be specified by the Issuer and the relevant Dealer in the applicable Final Terms.

Dual Currency Notes:

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer may agree.

Zero Coupon Notes:

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

Redemption:

The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.

The applicable Final Terms may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.

Notes having a maturity of less than one year are subject to restrictions on their denomination and distribution, see "*Certain Restrictions - Notes having a maturity of less than one year*" above.

Denomination of Notes:

The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see "*Certain Restrictions - Notes having a maturity of less than one year*" above, and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in



circumstances which require the publication of a prospectus under the Prospectus Directive will be €50,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

**Taxation:**

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer or the Guarantor will be made 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 any Tax Jurisdiction having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor will, depending on which provision is specified in the applicable Final Terms, be required to pay additional amounts to cover the amounts so deducted, in accordance with the relevant provisions in Condition 7.

**Negative Pledge:**

The terms of the Notes will not contain a negative pledge provision.

**Cross Default:**

The terms of the Notes will contain a cross default provision as further described in Condition 9.

**Status of the Notes:**

The Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank pari passu 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 Issuer, from time to time outstanding.

**Guarantee:**

The Notes will be unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under its guarantee will be direct, unconditional and unsecured obligations of the Guarantor and will rank pari passu 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 Guarantor from time to time outstanding.

**Rating:**

The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms.

**Listing and admission to trading:**

Application has been made to the AFM to approve this document as a base prospectus. Application has also been made to Euronext Amsterdam N.V. for Notes issued under the Programme up to the expiry of 12 months from the date of this Prospectus to be admitted to trading on Euronext Amsterdam.

Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

Governing Law:

The Agency Agreement, the Guarantee, the Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with, the laws of the Netherlands.

Selling Restrictions:

There are restrictions on the offer, sale and transfer of the Notes in the United States and the European Economic Area (including the United Kingdom, the Netherlands and Belgium) and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see "Subscription and Sale".

## **RISK FACTORS**

*Each of the Issuer and the Guarantor believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and neither the Issuer nor the Guarantor is in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*Each of the Issuer and the Guarantor believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer or the Guarantor to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer and the Guarantor based on information currently available to them or which they may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.*

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

#### *Operational Risk*

Operational risk is defined as the risk of loss arising from the inadequacy or failure of procedures, individuals or internal systems, or even external events (such as, but not limited to natural disasters and fires). It includes risk relating to the security of information systems, litigation risk and reputation risk.

Unforeseen events like severe natural catastrophes, terrorist attacks or other states of emergency can lead to an abrupt interruption of the Issuer's operations, which can cause substantial losses. Such losses can relate to property, financial assets, trading positions and to key employees. Such unforeseen events can also lead to additional costs (such as relocation of employees affected) and increase the Issuer's costs (such as insurance premiums). Such events may also make insurance coverage for certain risks unavailable and thus increase the Issuer's risk.

The Issuer relies heavily on communications and information systems to conduct its business. Any failure or interruption or breach in security of these systems could result in failures or interruptions in the Issuer's customer relationship management, general ledger, deposit, servicing and/or loan organisation systems. The Issuer cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. The occurrence of any failures or interruptions could have a material adverse effect on the Issuer's financial condition and results of operations.

#### *Credit Risk*

As a finance company, the Issuer is exposed to the creditworthiness of its counterparties. The Issuer may suffer losses related to the inability of its customers or other counterparties to meet their financial obligations.

#### *Market Risk*

Market risk is the risk of loss relating to fluctuations in market prices and interest rates, their interactions and their level of volatility. Due to the nature of its activity, the Issuer is prevented from assuming significant exposure to market risk.

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

### ***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 Offering Circular 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.

### ***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 such features:

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

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

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

### *Dual Currency Notes*

The Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that: (i) the market price of such Notes may be volatile; (ii) they may receive no interest; (iii) payment of principal or interest may occur at a different time or in a different currency than expected; (iv) they may lose all or a substantial portion of their principal.

### *Partly-paid Notes*

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

### *Variable Rate Notes*

An investment in a Variable Rate Note may entail significant risks not associated with investments in a conventional debt security. The amount paid by the Issuer on redemption of the Notes may be less than the principal amount of the notes, together with any accrued interest, and may in certain circumstances be zero. where the Notes are redeemed by the Issuer by delivery of Reference Item(s) the value of the Reference Item(s) may be less than the principal amount of the notes, together with any accrued interest, and may in certain circumstances be zero.

The value of any Reference Item may depend on a number of interrelated factors, including economic, financial and political events in one or more jurisdictions, including factors affecting capital markets generally and the stock exchange(s) on which any Reference Item may be traded. The price at which a Noteholder will be able to sell Notes prior to their maturity may be at a discount, which could be substantial, to the market value of the Notes on the issue date, if, at such time the market price of the Reference Item(s) is below, equal to or sufficiently above the market price of the Reference Item(s) on the issue date. The historical market prices of any Reference Item should not be taken as an indication of such Reference Item's future performance during the term of the Notes.

Additional risk factors in relation to issues of Variable Rate Notes may be included in the applicable Final Terms.

### *Inverse Floating Rate Notes*

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

### *Fixed/Floating Rate Notes*

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

### *Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium from their principal amount 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.

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

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

#### *Modification, waivers and substitution*

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

### ***EU Savings Directive***

If, following implementation of this Directive, a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on payment made by a Paying Agent following implementation of this Directive, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

#### *Change of law*

The conditions of the Notes are based on the laws of the Netherlands in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to Netherlands law or administrative practice after the date of this Offering Circular.

### *Notes where denominations involve integral multiples: definitive Notes*

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus 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 trading such amounts, 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 Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

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

### ***Risks related to the market generally***

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

#### ***The secondary market generally***

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

#### ***Exchange rate risks and exchange controls***

The Issuer will pay principal and interest on the Notes and the Guarantor will make any payments under the Guarantee 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. As a result, investors may receive less interest or principal than expected, or no interest or principal.

#### ***Interest rate risks***

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

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

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 or withdrawn by the rating agency at any time.

### **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.

## **DOCUMENTS INCORPORATED BY REFERENCE**

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

- (a) the annual report of the Issuer for the financial years ended 31 December 2005 and 2006 (in which the financial information presented is unaudited);
- (b) the annual report and audited consolidated financial statements of the Guarantor for the financial years ended 31 December 2005 and 2006;
- (c) the most recent articles of association of the Issuer and the Guarantor;
- (d) the guarantee between the Issuer and the Guarantor dated 20 July 2007;

Following the publication of this Offering Circular a supplement may be prepared by the Issuer and approved by the AFM in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Offering Circular or in a document which is incorporated by reference in this Offering Circular. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

The Issuer and the Paying Agents (at their specified offices) will provide, without charge, to each person to whom a copy of this Offering Circular has been delivered, upon the request of any such person, a copy of any or all of the documents incorporated herein by reference. Written or oral requests for such documents should be directed to the Issuer or the specified office of any Paying Agent set out at the end of this Offering Circular.

The Issuer and the Guarantor will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Offering Circular which is capable of affecting the assessment of any Notes, prepare a supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent issue of Notes.



## FORM OF THE NOTES

Each Tranche of Notes will be in bearer form and will be initially issued in the form of a temporary global note (a **Temporary Global Note**) or, if so specified in the applicable Final Terms, a permanent global note (a **Permanent Global Note**) which, in either case, 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, *société anonyme* (**Clearstream, Luxembourg**); and
- (ii) if the Global Notes are not intended to be issued in NGN Form:
  - (a) be delivered on or prior to the original issue date of the Tranche to a common depositary (the **Common Depositary**) for, Euroclear and Clearstream; or
  - (b) be deposited with the Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (**Euroclear Netherlands**).

The Global Notes are maintained in the records of Euroclear and Clearstream, Luxembourg in book-entry form. The address of Euroclear is 3 Boulevard de Roi Albert II, B.1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue J.F. Kennedy L-1855 Luxembourg and the address of Euroclear Netherlands is Damrak 70, 1012 LM Amsterdam, The Netherlands.

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

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a Permanent Global Note of the same Series or (b) for definitive Notes of the same Series with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for definitive Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Global Note if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, receipts, interest coupons and talons attached upon either (a) not less than 60 days' written notice from Euroclear

and/or Clearstream, Luxembourg and/or any other relevant clearing system (but not Euroclear Netherlands) (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Agent as described therein or (b) only upon the occurrence of an Exchange Event.

For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 9) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg and/or if applicable Euroclear Netherlands have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 13 if an Exchange Event occurs.

In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) may give notice to the Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Agent.

In case of Notes represented by a Permanent Global Note deposited with Euroclear Netherlands, a Noteholder shall not have the right to request delivery (*uitlevering*) of his Notes under the Dutch Securities Giro Transfer Act ("*Wet giraal effectenverkeer*") other than on occurrence of an Exchange Event as described above.

The following legend will appear on all Notes which have an original maturity of more than 365 days and on all receipts and interest coupons relating to such Notes:

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

The following legend will appear on all global Notes held in Euroclear Netherlands:

"NOTICE: THIS NOTE IS ISSUED FOR DEPOSIT WITH *NEDERLANDS CENTRAAL INSTITUUT VOOR GIRAAL EFFECTENVERKEER B.V.* AT AMSTERDAM, THE NETHERLANDS. ANY PERSON BEING OFFERED THIS NOTE FOR TRANSFER OR ANY OTHER PURPOSE SHOULD BE AWARE THAT THEFT OR FRAUD IS ALMOST CERTAIN TO BE INVOLVED."

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of the relevant clearing system(s).

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*"), the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN and/or a Fondscode by LCH Clearnet S.A. Amsterdam Branch Stock Clearing which are different from the common code, Fondscode and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

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

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 9 of the Terms and Conditions. In such circumstances, where any Note is still represented by a global Note and a holder of such Note so represented and credited to his account with the relevant clearing system(s) (other than Euroclear Netherlands) gives notice that it wishes to accelerate such Note, unless within a period of 15 days from the giving of such notice payment has been made in full of the amount due in accordance with the terms of such global Note, holders of interests in such global Note credited to their accounts with the relevant clearing system(s) (other than Euroclear Netherlands) will become entitled to proceed directly against the Issuer on the basis of statements of account provided by the relevant clearing system(s) (other than Euroclear Netherlands) on and subject to the terms of the relevant global Note. In the case of a global Bearer Note deposited with Euroclear Netherlands, the rights of Noteholders will be exercised in accordance with the provisions of such global Bearer Note and the provisions of the Dutch Securities Giro Transfer Act.

## APPLICABLE FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.*

[Date]

### AXA BELGIUM FINANCE (NL) B.V.

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
Guaranteed by AXA Bank Belgium S.A./N.V.  
under the EUR 2,000,000,000  
Wholesale Debt Issuance Programme**

### 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 Offering Circular dated 20 July 2007 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (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 Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. The Offering Circular is available for viewing at Graadt van Roggenweg 500, 3531 AH, Utrecht, the Netherlands and [www.axa.be](http://www.axa.be) and copies may be obtained from Graadt van Roggenweg 500, 3531 AH, Utrecht, the Netherlands.

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

Terms used herein shall be deemed to be defined as such for the purposes of the conditions as set out in Schedule [ ] to this document. This document constitutes the Final Terms of the securities described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**) and must be read in conjunction with the Offering Circular dated 20 July 2007 which constitutes a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are replaced by the conditions as set out in Schedule [ ] to this document. Full information on the Issuer and the offer of the securities is only available on the basis of the combination of these Final Terms and the Offering Circular dated 20 July 2007, save for the Conditions, which are replaced by the conditions as set out in Schedule [ ] to this document. Copies of such documents are available for viewing at the registered office of the Issuer, currently at Graadt van Roggenweg 500, 3531 AH, Utrecht, the Netherlands and on [www.axa.be](http://www.axa.be) and copies may be obtained from Graadt van Roggenweg 500, 3531 AH, Utrecht, the Netherlands.]

*[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.]*

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

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

1. (a) Issuer: AXA Belgium Finance (NL) B.V.

- (b) Guarantor: AXA Bank Belgium S.A./N.V.
2. (a) Series Number: [      ]
- Tranche Number: [      ]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
3. Specified Currency or Currencies: [      ]
4. Aggregate Nominal Amount:
- (a) Series: [      ]
- (b) Tranche: [      ]
5. (a) Issue Price: [    ] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (if applicable)]
6. (a) Specified Denominations: [      ]  
[      ]
- (Note – where multiple denominations above [€50,000] or equivalent are being used the following sample wording should be followed:*
- "[€50,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000]. No Notes in definitive form will be issued with a denomination above [€99,000].")*
- (b) Calculation Amount  
*(Applicable to Notes in definitive form)*
- (If only one Specified Denomination, insert the Specified Denomination.*
- If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
7. (a) Issue Date: [      ]
- (b) Interest Commencement Date: [      ]
8. Maturity Date: *[Fixed rate - specify date/  
Floating rate - Interest Payment Date falling in or nearest to [specify month]]*

9. Interest Basis: [[ ] per cent. Fixed Rate]  
[[LIBOR/EURIBOR] +/- [ ] per cent.  
Floating Rate]  
[Zero Coupon]  
[Variable Rate Interest]  
[Dual Currency Interest]  
[specify other]  
(further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]  
[Variable Redemption]  
[Dual Currency Redemption]  
[Partly Paid]  
[Instalment]  
[specify other]
- (N.B. If the Final 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 supplement to the Offering Circular simultaneously with the applicable Final Terms which sets out the relevant information in relation to such derivative securities.)*
11. Change of Interest Basis or Redemption/Payment Basis: [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[(further particulars specified below)]
13. (a) Status of the Notes: [Senior/[Dated/Perpetual] Subordinated]
- (b) [Status of the Guarantee: [Senior/[Dated/Perpetual] Subordinated]]
- (c) [Date [Board] approval for issuance of Notes [and Guarantee] obtained: [ ] [and [ ]], respectively]]  
*(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee)*
14. Method of distribution: [Syndicated/Non-syndicated]

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

15. 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 annually/semi-annually/quarterly] in arrear  
(If payable other than annually, consider amending Condition 4)]
- (b) Interest Payment Date(s): [[ ] in each year up to and including the Maturity Date]/[specify other]  
(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)
- (e) Day Count Fraction: [30/360 or Actual/Actual (ICMA) or [specify other]]
- (f) Determination Date(s): [ ] in each year  
[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. This will need to be amended in the case of regular interest payment dates which are not of equal duration  
N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA)]
- (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Give details]
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) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]
- (c) Additional Business Centre(s): [ ]
- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/specify other]

- (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [       ]
- (f) Screen Rate Determination:
- Reference Rate: [       ].  
*(Either LIBOR, EURIBOR or other, although additional information is required if other - including fallback provisions in the Agency Agreement)*
  - 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 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 fallback provisions appropriately)*
- (g) ISDA Determination:
- Floating Rate Option: [       ]
  - Designated Maturity: [       ]
  - Reset Date: [       ]
- (h) Margin(s): [ +/- ] [       ] per cent. per annum
- (i) Minimum Rate of Interest: [       ] per cent. per annum
- (j) Maximum Rate of Interest: [       ] per cent. per annum
- (k) Day Count Fraction: [Actual/365  
Actual/365 (Fixed)  
Actual/365 (Sterling)  
Actual/360  
30/360  
30E/360  
Other]  
*(See Condition 4 for alternatives)*



- (l) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [       ]
17. Zero Coupon Note Provisions [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Accrual Yield: [       ] per cent. per annum
- (b) Reference Price: [       ]
- (c) Any other formula/basis of determining amount payable: [       ]
- (d) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions [Redemption and Purchase - Early Redemption Amounts] (c) and [- Late Payment on Zero Coupon Notes] apply/specify other]  
(Consider applicable day count fraction if not U.S. dollar denominated)
18. Variable Rate Interest Note Provisions [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Reference Item/Formula: [give or annex details]
- (b) Calculation Agent responsible for calculating the interest due: [       ]
- (c) Interest Payment Date(s): [[       ] in each year up to and including the Maturity Date]/[specify other]  
(N.B. This will need to be amended in the case of long or short coupons)
- (d) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/specify other]
- (e) Additional Business Centre(s): [       ]
- (f) Minimum Rate of Interest: [       ] per cent. per annum
- (g) Maximum Rate of Interest: [       ] per cent. per annum
- (h) Day Count Fraction: [       ]
- (i) Other terms or special conditions: [       ]

19. Dual Currency Interest Note Provisions [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate of Exchange/method of calculating Rate of Exchange: [give or annex details]
- (b) Calculation Agent, if any, responsible for calculating the interest payable: [ ]
- (c) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [need to include a description of market disruption or settlement disruption events and adjustment provisions]
- (d) Person at whose option Specified Currency(ies) is/are payable: [ ]

#### PROVISIONS RELATING TO REDEMPTION

20. Issuer Call: [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount 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 period (if other than as set out in the Conditions): [ ]  
(N.B. If setting notice periods which are different to those provided in the Conditions, 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 Agent)
21. Investor Put: [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Optional Redemption Date(s): [ ]

- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [ ] per Calculation Amount
- (c) Notice period (if other than as set out in the Conditions): [ ]  
*(N.B. If setting notice periods which are different to those provided in the Conditions, 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 Agent)*
22. Final Redemption Amount: [ ] per Calculation Amount/specify other/see Appendix]  
*(N.B. If the Final 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 supplement to the Offering Circular simultaneously with the applicable Final Terms which sets out the relevant information in relation to such derivative securities.)*
23. Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6.5): [ ] per Calculation Amount/specify other/see Appendix]
24. Variable Rate Redemption Notes: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Calculation Agent responsible for calculating the rate of interest and/or interest amount and/or redemption amount: [ ]/[Not applicable]
- (ii) Relevant provisions for determining the redemption amount: [ ]

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. Form of Notes:

- (a) Form: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]
- [Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event/at any time at the request of the Issuer]]
- (Ensure that this is consistent with the wording in the "Form of the Notes" section in the Offering Circular and the Notes themselves. 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: "[€50,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000].")*
- (b) New Global Note: [Yes/No]
26. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/give details]  
*(Note that this item relates to the place of payment and not Interest Period end dates to which items 16(c) and 18(f) relate)*
27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details. N.B. a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues]
29. Details relating to Instalment Notes:
- (a) Instalment Amount(s): [Not Applicable/give details]
- (b) Instalment Date(s): [Not Applicable/give details]

30. Redenomination applicable: Redenomination [not] applicable  
*(If Redenomination is applicable, specify the applicable Day Count Fraction and any provisions necessary to deal with floating rate interest calculation (including alternative reference rates)).*
31. Other final terms: [Not Applicable/give details]  
  
*(When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.)*
32. Whether Condition 7(a) of the Notes applies (in which case Condition 6.2 of the Notes will not apply) or whether Condition 7(b) and Condition 6.2 of the Notes applies: [Condition 7(a) applies and Condition 6.2 does not apply/Condition 7(b) applies and Condition 6.2 applies]

## DISTRIBUTION

33. (a) If syndicated, names [and addresses]\*\* of Managers [and underwriting commitments]\*\*: [Not Applicable/give names [and addresses and underwriting commitments]\*\*]  
  
*(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers. ) \*\**
- (b) Date of [Subscription Agreement]\*\*: [ ]\*\*
- (c) Stabilising Manager (if any): [Not Applicable/give name]
34. If non-syndicated, name [and address]\*\* of relevant Dealer: [Name [and address]\*\*]
35. Total commission and concession:\*\* [ ] per cent. of the Aggregate Nominal Amount\*\*
36. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: [TEFRA D/TEFRA C/TEFRA not applicable]
37. Additional selling restrictions: [Not Applicable/give details]

## [LISTING AND ADMISSION TO TRADING APPLICATION]

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the EUR 2,000,000,000 Wholesale Debt Issuance Programme of AXA Belgium Finance (NL) B.V.]

### RESPONSIBILITY

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

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

By: .....  
*Duly authorised*

Signed on behalf of the Guarantor:

By: .....  
*Duly authorised*

By: .....  
*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Listing: [ ]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [ ] with effect from [ ].]  
[Not Applicable.]

*(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.) \*\**

- (iii) Estimate of total expenses related to [ ]\*  
admission to trading:

### 2. RATINGS

Ratings: The Notes to be issued have been rated:

[S & P: [ ]]  
[Moody's: [ ]]  
[[Other]: [ ]]

*[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. NOTIFICATION

The [name of competent authority in home Member State] [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [names of competent authorities of host Member States] with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.]

### 4. 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. - Amend as appropriate if there are other interests]

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

[(i) Reasons for the offer

[ ]

*(See ["Use of Proceeds"] wording in Offering Circular – 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:

[ ]. *[Expenses are required to be broken down into each principal intended "use" and presented in order of priority of such "uses".]\*\**

*(N.B.: If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) and (iii) above are also required.)*

## 6. YIELD (Fixed Rate Notes only)

Indication of yield:

[ ]

*[Calculated as [include details of method of calculation in summary form] on the Issue Date.]\*\**

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

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

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

## 8. PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING (Index-Linked Notes only)

*[Need to include details of where past and future performance and volatility of the index/formula can be obtained.]*

*[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]\*\**



*[Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]*

## **9. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only)**

*[Need to include details of where past and future performance and volatility of the relevant rates can be obtained.]*

*[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]\*\**

## **10. OPERATIONAL INFORMATION**

- (i) ISIN Code: [   ]
- (ii) Common Code: [   ]
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Names and addresses of additional Paying Agent(s) (if any): [   ]
- [(vi) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]  

*[Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] [include this text if "yes" selected in which case the Notes must be issued in NGN form]*

**Notes:**

\* **Delete if the minimum denomination is less than €50,000**

\*\* **Delete if the minimum denomination is €50,000**

## **SCHEDULE TO THE FINAL TERMS**

*(In relation to a tranche of Notes which is being increased and was originally issued under an Offering Circular or Prospectus with an earlier date than the current Offering Circular, insert full terms and conditions which shall be in the form set out in the previous Offering Circular or Prospectus which, in the case of a listed issue shall have been previously approved by the relevant competent authority)*

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to "Form of the Notes" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by AXA Belgium Finance (NL) B.V. (the **Issuer**) pursuant to the Agency Agreement (as defined below).

References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a **Global Note**), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note; and
- (c) any definitive Notes issued in exchange for a Global Note.

The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 20 July 2007 and made between the Issuer, AXA Bank Belgium S.A./N.V. (the **Guarantor**) as guarantor, Dexia Banque Internationale à Luxembourg, société anonyme as issuing and principal paying agent and agent bank (the **Agent**, which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents).

Interest bearing definitive Notes have interest coupons (**Coupons**) and, if indicated in the applicable Final Terms, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Notes repayable in instalments have receipts (**Receipts**) for the payment of the instalments of principal (other than the final instalment) attached on issue. Global Notes do not have Receipts, Coupons or Talons attached on issue.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which supplement these Terms and Conditions (the **Conditions**) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Note. References to the **applicable Final Terms** are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

The payment of all amounts in respect of this Note have been guaranteed by the Guarantor pursuant to a guarantee (the **Guarantee**) dated 20 July 2007 and executed by the Guarantor. The original of the Guarantee is held by the Agent on behalf of the Noteholders, the Receiptholders and the Couponholders at its specified office.

Any reference to **Noteholders** or **holders** in relation to any Notes shall mean the holders of the Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to **Receiptholders** shall mean the holders of the Receipts and any reference

herein to **Couponholders** shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

As used herein, **Variable Rate Notes** means Notes whose repayment terms and /or other terms, including interest, may be linked to a number of different Reference Items. **Reference Item** means any funds, shares, indices, commodities, currencies, or basket thereof, company or other such institution or basket of the same or any other type of share, debt performance indicator or any other underlying the performance of which affects the amounts payable under the Terms and Conditions of the relevant Note.

Copies of the Agency Agreement and the Guarantee are available for inspection during normal business hours at the specified office of each of the Paying Agents. Copies of the applicable Final Terms are available for viewing at the registered office of the Issuer and of the Agent and copies may be obtained from those offices save that, if this Note is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer or, as the case may be, and the relevant Paying Agent as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Guarantee and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

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

## **1. FORM, DENOMINATION AND TITLE**

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

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

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

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

Subject as set out below, title to the Notes, Receipts and Coupons will pass by delivery. The Issuer, the Guarantor and the Paying Agents will (except as otherwise required by law) deem and treat the bearer of any Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any

previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank S.A./N.V. (**Euroclear**) and/or Clearstream Banking, société anonyme (**Clearstream, Luxembourg**) and/or the Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (**Euroclear Netherlands**), each person (other than Euroclear, Clearstream, Luxembourg or Euroclear Netherlands) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg or of Euroclear Netherlands as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg or Euroclear Netherlands as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer, the Guarantor and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

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

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

## **2. STATUS OF THE NOTES AND THE GUARANTEE**

### **2.1 Status of the Notes**

The Notes and any relative Receipts and Coupons are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* 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 Issuer, from time to time outstanding.

### **2.2 Status of the Guarantee**

The obligations of the Guarantor under the Guarantee are direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and (save for certain obligations required to be preferred by law) rank equally with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor, from time to time outstanding.

## **3. REDENOMINATION**

### **3.1 Redenomination**

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders, on giving prior notice to the Agent, Euroclear and Clearstream, Luxembourg and at least 30 days' prior notice to the Noteholders in accordance with Condition 13, elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

- (a) the Notes and the Receipts shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each Note and Receipt equal to the nominal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Agent, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;
- (b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (c) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer (i) in the case of Relevant Notes in the denomination of euro 50,000 and/or such higher amounts as the Agent may determine and notify to the Noteholders and any remaining amounts less than euro 50,000 shall be redeemed by the Issuer and paid to the Noteholders in euro in accordance with Condition 5; and (ii) in the case of Notes which are not Relevant Notes, in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Agent may approve) euro 0.01 and such other denominations as the Agent shall determine and notify to the Noteholders;
- (d) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the **Exchange Notice**) that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (e) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;
- (f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated:

- (i) in the case of the Notes represented by a Global Note, by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes; and
- (ii) in the case of definitive Notes, by applying the Rate of Interest to 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 Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding; and

- (g) if the Notes are Floating Rate Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest.

## 3.2 Definitions

In the Conditions, the following expressions have the following meanings:

**Established Rate** means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty;

**euro** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

**Redenomination Date** means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to Condition 3.1 above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union;

**Relevant Notes** means all Notes where the applicable Final Terms provide for a minimum Specified Denomination in the Specified Currency which is equivalent to at least euro 50,000 and which are admitted to trading on a regulated market in the European Economic Area; and

**Treaty** means the Treaty establishing the European Community, as amended.

## 4. INTEREST

### 4.1 Interest on Fixed Rate Notes

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.

If interest is required to be calculated for a period other than a Fixed Interest Period or if, in the case of Notes in definitive form, no Fixed Coupon Amount is specified in the applicable Final Terms, such interest shall be calculated by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Fixed 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 Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising 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 4.1:

- (a) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:
  - (i) 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 (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (A) 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
    - (B) 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
- (b) 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 the 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.

## **4.2 Interest on Floating Rate Notes**

### **(a) Interest Payment Dates**

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) 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 on 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 the Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

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

- (A) in any case where Specified Periods are specified in accordance with Condition 4.2 (a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) 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 (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) 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
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

- (C) 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
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the 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 Amsterdam, London and each Additional Business Centre specified in the applicable Final Terms; and
- (b) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than Amsterdam, London and any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System (the TARGET System) is open.

**(b) 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.

**(i) 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 subparagraph (i), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 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:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is either (a) if the applicable Floating Rate Option is based on the London interbank offered rate (**LIBOR**) or on the Euro-zone interbank offered rate (**EURIBOR**), the first day of that Interest Period or (b) in any other case, as specified in the applicable Final Terms.

For the purposes of this subparagraph (i), **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.

(ii) **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:

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

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more 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 Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of A above, no such offered quotation appears or, in the case of B above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Final Terms.

(c) **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 b 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 b above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

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

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

The Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes 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, if they are Partly Paid Notes, the aggregate amount paid up); 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 comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising 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 4.2:

- (i) if "Actual/365" 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 (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) 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 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (I) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (II) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (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 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

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

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and notice thereof to be published in accordance with Condition 13 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 or Index Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 13. 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.

**(f) 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 4.2, whether by the Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith, manifest error or proven error) be binding on the Issuer, the Guarantor, the Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Guarantor, the Noteholders, the Receiptholders or the Couponholders shall attach to the 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.

**4.3 Interest on Variable Rate Interest Notes**

Variable Rate Interest Notes shall bear interest from their Interest Commencement Date in accordance with the formula and at the rate or rates per annum as may be specified in the relevant Final Terms. Such interest will be payable calculated by the Calculation Agent and on the dates specified in the relevant Final Terms (the **Determination Date** or, if not so specified as calculated by the Calculation Agent promptly before the Interest Payment Date) and will be payable in arrear on such dates as are specified in the relevant Final Terms and on the date of final maturity of the Notes. The amount of interest payable on any Interest Payment Date (the **Interest Amount**) will be calculated in accordance with the terms of the relevant Final Terms.

**4.4 Interest on Dual Currency Interest Notes**

The rate or amount of interest payable in respect of Dual Currency Interest Notes shall be determined in the manner specified in the applicable Final Terms.

**4.5 Interest on Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Final Terms.

**4.6 Accrual of interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due

presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

## **5. PAYMENTS**

### **5.1 Method of payment**

Subject as provided below:

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

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7.

### **5.2 Presentation of definitive Notes, Receipts and Coupons**

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 5.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal (if any) in respect of definitive Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in Condition 5.1 above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in Condition 5.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the definitive Note to which it appertains. Receipts presented without the definitive Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive form (other than Dual Currency Notes, Index Linked Notes or Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

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

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

### **5.3 Payments in respect of Global Notes**

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

### **5.4 General provisions applicable to payments**

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer or, as the case may be, the Guarantor will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Guarantor to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer and the Guarantor, adverse tax consequences to the Issuer or the Guarantor.

## **5.5 Payment Day**

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 8) is:

- (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:
  - (i) the relevant place of presentation;
  - (ii) London;
  - (iii) each Additional Financial Centre specified in the applicable Final Terms; and
- (b) either (A) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, London and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (B) in relation to any sum payable in euro, a day on which the TARGET System is open.

## **5.6 Interpretation of principal and interest**

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

- (a) any additional amounts which may be payable with respect to principal under Condition 7;
- (b) the Final Redemption Amount of the Notes;



- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (f) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6.5); and
- (g) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7.

## **6. REDEMPTION AND PURCHASE**

### **6.1 Redemption at maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Variable Rate Redemption Note and Dual Currency Redemption Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

### **6.2 Redemption for tax reasons**

Subject to Condition 6.5 and unless specified in the applicable Final Terms, Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (in the case of Notes other than Floating Rate Notes, Variable Rate Interest Notes or Dual Currency Interest Notes) or on any Interest Payment Date (in the case of Notes which are either Floating Rate Notes, Variable Rate Interest Notes or Dual Currency Interest Notes), on giving not less than 30 nor more than 60 days' notice to the Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable), if

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 7) or any political subdivision of or any authority of or in any Tax Jurisdiction having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (b) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Agent a certificate signed by two Directors of the Issuer or, as the case

may be, two Directors of the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 6.2 will be redeemed at their Early Redemption Amount referred to in Condition 6.5 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

### **6.3 Redemption at the option of the Issuer (Issuer Call)**

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given:

- (a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 13; and
- (b) not less than 15 days before the giving of the notice referred to in (a) above, notice to the Agent;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear 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) and/or Euroclear Netherlands in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the **Selection Date**). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 6.3 and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 13 at least five days prior to the Selection Date.

### **6.4 Redemption at the option of the Noteholders (Investor Put)**

If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 13 not less than 15 nor more than 30 days' notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable final Terms.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg or, if applicable, Euroclear Netherlands, deliver, at the specified office of any Paying Agent at any

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

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg or, if applicable, Euroclear Netherlands given by a holder of any Note pursuant to this Condition 6.4 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 6.4 and instead to declare such Note forthwith due and payable pursuant to Condition 9.

## 6.5 Early Redemption Amounts

For the purpose of Condition 6.2 above and Condition 9, each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (a) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
- (b) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and a Partly Paid Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Note is denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount;
- (c) in the case of a Zero Coupon Note, at an amount (the **Amortised Face Amount**) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

**RP** means the Reference Price;

**AY** means the Accrual Yield expressed as a decimal; and

<sup>y</sup> is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to

(but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360,

or on such other calculation basis as may be specified in the applicable Final Terms;  
or

- (d) in the case of a Variable Rate Note, or any other type of Note as may be issued under this Programme, as determined by reference to the provisions in the applicable Final Terms.

## **6.6 Instalments**

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 6.5.

## **6.7 Partly Paid Notes**

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Final Terms.

## **6.8 Purchases**

The Issuer, the Guarantor or any Subsidiary of the Issuer or the Guarantor may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer or the Guarantor, surrendered to any Paying Agent for cancellation.

## **6.9 Cancellation**

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 6.8 above (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

## **6.10 Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 6.1, 6.2, 6.3 or 6.4 above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 1.2(c) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

## 7. TAXATION

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer or the Guarantor will be made 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 any Tax Jurisdiction having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor will depending on which provision is specified in the applicable Final Terms either:

- (a) make the required withholding or deduction of such taxes, duties, assessments or governmental charges for the account of the holders of the Notes, Receipts or Coupons, as the case may be, and shall not pay any additional amounts to the holders of the Notes, Receipts or Coupons; or
- (b) pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:
  - (i) presented for payment by or on behalf of a holder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof; or
  - (ii) presented for payment by or on behalf of the holder of such Note, Receipt or Coupon who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority;
  - (iii) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5.5); or
  - (iv) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
  - (v) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used herein:

- (A) **Tax Jurisdiction** means the Netherlands or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Issuer) or Belgium or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Guarantor); and

- (B) the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 13.

## 8. PRESCRIPTION

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

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5.2 or any Talon which would be void pursuant to Condition 5.2.

## 9. EVENTS OF DEFAULT

### 9.1 Events of Default

If any one or more of the following events (each an **Event of Default**) shall occur and be continuing:

- (a) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of 15 calendar days or more; or
- (b) if the Issuer or the Guarantor fails to perform or observe any of its other obligations under the Conditions or the Guarantee and (except in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by a Noteholder on the Issuer or the Guarantor (as the case may be) of notice requiring the same to be remedied; or
- (c) if any indebtedness for borrowed money of the Issuer or the Guarantor or any of their respective or joint Subsidiaries, being indebtedness for borrowed money amounting in aggregate to at least EUR 25,000,000 or its equivalent in any other currencies, either (i) shall become repayable prior to the due date for payment thereof by reason of default by the Issuer, the Guarantor or its Subsidiary in question or (ii) shall not be repaid at maturity as extended by any days of grace permitted by law, any provision of the relevant instrument or any agreement of the parties to such instrument or, in the event that any guarantee or indemnity given by the Issuer, the Guarantor or any of their respective or joint Subsidiaries, in respect of indebtedness for borrowed money amounting in aggregate to at least EUR 25,000,000 or its equivalent in any other currencies of any party shall not be honoured when due and called upon; or
- (d) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer, the Guarantor or any of their Subsidiaries, save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution; or
- (e) if the Issuer or the Guarantor ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution, or the Issuer or the Guarantor stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts

pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or

- (f) if (A) proceedings are initiated against the Issuer or the Guarantor under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or the Guarantor or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them, or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them and (B) in any case (other than the appointment of an administrator) is not discharged within 14 days; or
- (g) if the Issuer or the Guarantor initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (h) the Issuer ceases to be a subsidiary wholly owned and controlled, directly or indirectly, by the Guarantor; or
- (i) if the Guarantee ceases to be, or is claimed by the Issuer or the Guarantor not to be, in full force and effect; or
- (j) if any event occurs which, under the laws of any Relevant Jurisdiction, has or may have an analogous effect to any of the events referred to in paragraphs (d) to (i) above;

then any holder of a Note may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare any Note held by it to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Early Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

As used herein, "Subsidiary", means any company or other entity whose accounts are for the time being or, in the case of a company or other entity acquired after the date of the Issuer's or the Guarantor's most recent accounts, will be consolidated with those of the Issuer or the Guarantor for the purposes of the audited consolidated accounts of the Issuer or the Guarantor.

## **10. REPLACEMENT OF NOTES, RECEIPTS, COUPONS AND TALONS**

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

## **11. PAYING AGENTS**

The names of the initial Paying Agents and their initial specified offices are set out below.

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

- (a) there will at all times be an Agent;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;
- (c) there will at all times be a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive ; and
- (d) there will at all times be a Paying Agent in a jurisdiction within continental Europe, other than the jurisdiction in which the Issuer or the Guarantor is incorporated.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5.4. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 13.

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

## **12. EXCHANGE OF TALONS**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8.

## **13. NOTICES**

All notices regarding the Notes shall be published (i) in at least one daily newspaper of wide circulation in The Netherlands, and (iii) if and for so long as the Notes are listed on Euronext Amsterdam and for so long as the rules of such exchange so require, in the Daily Official List ("Officiële Prijscourant") of Euronext Amsterdam N.V. Any such notice will be deemed to have been given on the date of the first publication in all the newspapers in which such publication is required to be made.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream,



Luxembourg and/or any other relevant clearing system or a common safekeeper, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent through Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, as the case may be, may approve for this purpose.

#### **14. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION**

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

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

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

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

**15. FURTHER ISSUES**

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

**16. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

**16.1 Governing law**

The Agency Agreement, the Guarantee, the Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with, the laws of the Netherlands.

**16.2 Submission to jurisdiction**

The Issuer and the Guarantor submit for the benefit of the Noteholders, the Receiptholders and the Couponholders to the jurisdiction of the courts of Amsterdam, the Netherlands judging in first instance and its appellate courts.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be on-lent by the Issuer to the Guarantor and/or its group companies. If, in respect of any particular issue of Notes which are derivative securities for the purposes of Article 15 of the Commission Regulation No 809/2004 implementing the Prospectus Directive, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

## DESCRIPTION OF THE ISSUER

### Introduction

The Issuer was incorporated for an unlimited duration under the laws of the Netherlands on October 30<sup>th</sup>, 1990 under the name of Ippa Finance Company B.V. On 21 March 2000 the Issuer changed its name to AXA Belgium Finance (NL) B.V., which is the Issuer's legal name. The Issuer does not have a commercial name. Its corporate seat is at Amsterdam and its business address at 3531 AH Utrecht, Graadt van Roggenweg 500. Its Articles of Association were last modified on May 2nd 2006.

According to Article 2 of its Articles of Association, the Issuer's objects are:

- to finance other enterprises and companies;
- to found, to participate in any way in, to manage and to supervise enterprises and companies;
- to provide guarantees and to engage the company or its assets for the benefit of connected enterprises and companies;
- to grant services to enterprises and companies;
- to lend, loan and raise funds, including the issue of bonds, IOU's (debt acknowledgements) or other securities, and conclude the connected agreements;
- obtaining, alienating, managing and exploiting of real estate and value properties in general;
- carrying out all sorts of industrial, financial and commercial activities.

The Issuer is registered in the Commercial Register of the Chamber of Commerce in Utrecht under file number 33.224.298.

There are no recent events particular to the Issuer, which are to a material extent relevant to the evaluation of its solvency.

### Investment

There have been no investments made since the date of the last published financial statements.

The Issuer has not planned any principal future investments except for the onlending of the proceeds of its Notes Programme dated May 9<sup>th</sup> 2006 (maximum amount 300,000,000 EUR) and of the present Programme.

Seen that there are no firm commitments for future investments, no information regarding the anticipated sources of funds needed to fulfil them is provided.

### Business overview

The notes and bonds issues of the Issuer are placed mainly among European investors. The net proceeds of these issues are onlent to the Guarantor.

There has been no statement made by the Issuer regarding its competitive position.

## **Organisational Structure**

The Issuer is a wholly owned subsidiary of the Guarantor which is in its turn held for 100% by AXA Holdings Belgium S.A./N.V. (formerly Royale Belge S.A.), Boulevard du Souverain 25, 1170 Brussels (Watermael-Boitsfort).

The Issuer is an independent finance company and appoints credit institutions, among which is its parent company AXA Bank Belgium S.A./N.V. for the marketing and sale of its notes issues. The Guarantor is part of the AXA Group, but is not dependent on its parent company AXA Holdings Belgium S.A./N.V., except for matters which are common in a company group structure.

AXA Group means AXA Holdings Belgium S.A./N.V. and its subsidiaries which include amongst others AXA Belgium NV (insurance company), the Issuer and the Guarantor.

## **Recent Developments**

On 9 May 2006 the Issuer launched a Notes Programme of a maximum amount of EUR 300,000,000, unconditionally and irrevocably guaranteed by AXA Bank Belgium S.A./N.V. Four Tranches were drawn in this Programme respectively on 23 June 2006 (EUR 32,366,000 Serena Lift Up due 6 June 2016), on 29 September 2006 (EUR 14,585,000 Serena Upgrade due 29 September 2014), on 15 December 2006 (EUR 9,051,000 Serena Memoris due 15 December 2016) and recently on 29 March 2007 (EUR 14,718,000 Serena Upside due 29 September 2011). The proceeds were fully onlent to AXA Bank Belgium.

## **Trend Information**

There has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2006. Please note that the financial statements of the Issuer, dated 31 December 2006, are not audited. In addition, there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the prospects of the Issuer for the current financial year.

## **Administrative, management and supervisory bodies**

### ***Board of Directors***

The Directors of the Issuer are:

- Mr. Cees de Jong, Chairman, Corporate Secretary/General Counsel of AXA Nederland B.V.;
- Mr. Geert Van de Walle, Director and member of the Management Committee of AXA Bank Belgium S.A./N.V.
- Mr. Kor Bosscher, Manager Finance & Control of AXA Nederland B.V.

No member of the Board of Directors works on a full-time basis for the Issuer. The mandates are unsalaried.

There are no potential conflicts of interests between any duties to the Issuer of any of the Board of Directors and their private interests and/or other duties.

### ***Audit Committee and corporate governance regime compliance***

The Issuer has no audit committee.

The Issuer does not comply with the corporate governance regime of the Netherlands because such regime does not apply to it. The Issuer is a finance company as set out in article 3:2 of the Dutch Act on financial supervision ("*Wet op het financieel toezicht*").

## **Major Shareholders**

The Issuer is a wholly owned subsidiary of the Guarantor, AXA Bank Belgium S.A./N.V.

There is no arrangement that may result in a change in control of the Issuer.

## **Key Information**

### ***Interest of natural and legal persons involved in the issue/offer***

Since the net proceeds of these issues are onlent to the Guarantor, the Guarantor can use these proceeds for its general business purposes.

To the best knowledge of the Issuer, there is no person involved in the issue or offer of the Notes that has an interest material to the offer.

The Notes issue can be subject to selling commissions (to be determined for each issue), some out-of-pocket expenses and will be subject to Paying Agency fees. The net proceeds of Notes, i.e. the nominal amount less the commissions, expenses and fees, will be used by the Issuer to grant a loan to the Guarantor, who will use the proceeds for its general corporate purposes.

## **Financial Information**

As set forth under "Documents incorporated by reference", the annual financial statements for the financial years ended 31 December 2006 and 31 December 2005 of the Issuer, which are unaudited, shall be incorporated in, and form part of, this Offering Circular.

On the basis of Article 2:398 of the Dutch Civil Code ("*DCC*") article 2:396(1) does not apply to the Issuer. A 403- declaration has been filed by the Guarantor. The Guarantor has given a guarantee (referred to as a '403 Declaration') dated 20 April 2007 in respect of debt obligations of the Issuer. The 403 Declaration constitutes the legal, valid and binding obligation of the Guarantor, enforceable under Dutch Company law in accordance with its terms. The effect of the issue and deposit by the Guarantor of its 403 Declaration with the Trade Register of the Chamber of Commerce in Utrecht is that the Guarantor and the Issuer have become jointly and severally liable for all debts of the Issuer arising from transactions entered into by the Issuer after the date of the deposit. The 403 Declaration accordingly constitutes a guarantee by the Guarantor for Notes issued by the Issuer.

## **Material Contracts**

As of the date of this Offering Circular, the Issuer is not party to any contracts (not entered into in the ordinary course of business) that are considered material to its results, financial condition or operations.

## **Selected financial information**

The following unaudited financial information and historical financial information relates to the financial years ended 31<sup>st</sup> of December 2006 and 31<sup>st</sup> of December 2005 (source: KPMG Accountants N.V., financial advisor to the Issuer). The Noteholders are advised that this financial information in respect of the Issuer is reported in accordance with accounting principles generally accepted in the Netherlands and not reported in compliance with IFRS (International Financial Reporting Standards) seen that the Issuer is not yet legally bound to comply with these standards.

**Balance Sheet of the Issuer<sup>1</sup>** (these figures are unaudited)  
(before appropriation of profit)

*as at 31st December*

	<b>2006</b>	<b>2005</b>
	<b>EUR</b>	<b>EUR</b>
<b>Fixed Assets</b>		
Costs of issuing bonds	1,259,002	379,664
Financial fixed assets	80,875,286	24,845,465
<b>Sum of the fixed assets</b>	<b>82,134,288</b>	<b>25,225,129</b>
<b>Current assets</b>		
Claims	1,396,872	97,710
Liquidities	2,280,478	428,007
<b>Sum of the current assets</b>	<b>3,677,350</b>	<b>525,717</b>
<b>Sum of the assets</b>	<b>85,811,638</b>	<b>25,750,846</b>
<b>Equity</b>		
Share capital	1,768,459	18,152
Other reserves	473,466	485,363
Undistributed profit	56,498	-11,897
<b>Long-term liabilities</b>	<b>82,256,845</b>	<b>25,218,363</b>
<b>Short-term liabilities</b>	<b>1,256,370</b>	<b>40,865</b>
<b>Sum of the liabilities</b>	<b>85,811,638</b>	<b>25,750,846</b>

<sup>1</sup> Approved by the annual General Shareholders' meeting held on 29 June 2007.

**Profit and Loss Account of the Issuer** (these figures are unaudited)

*for the year ended 31st December*

	<u>2006</u>	<u>2005</u>
	EUR	EUR
<b>Gross margin</b>	<b>285,561</b>	<b>359,170</b>
Depreciation	109,103	213,968
Other operating costs	94,390	66,711
<b>Sum of the costs</b>	<b>203,493</b>	<b>280,679</b>
<b>Operating result</b>	<b>82,068</b>	<b>78,491</b>
<b>Result before taxation</b>	<b>82,068</b>	<b>78,491</b>
<b>Taxation</b>	<b>-25,570</b>	<b>-90,388</b>
<b>Result after taxation</b>	<b>56,498</b>	<b>-11,897</b>



## DESCRIPTION OF THE GUARANTOR

### Introduction

The Guarantor is a limited liability company of unlimited duration incorporated under Belgian law on August 27<sup>th</sup> 1881 under the name of Antwerpsche Hypotheekkas (ANHYP) and is registered in the "Register of Legal Entities" of Antwerp under number 0404.476.835, and liable to VAT under the number BE 404.476.835. Its registered office is situated at 2600 Antwerp, Grote Steenweg 214 and its telephone number is 00 32.3.286.22.11.

After the closing of a friendly public offer on January 22<sup>nd</sup> 1999 Royale Belge, currently AXA Holdings Belgium, owns all shares in the Guarantor. Since 1986 Royale Belge has been the parent company of the credit institution IPPA Bank. Through an agreement of November 30<sup>th</sup> 1999 IPPA Bank has transferred all bank activities, with the exception of real estate activities to ANHYP, starting January 1<sup>st</sup> 2000. The goal of this transfer has been the conclusion of significant synergies especially for retail banking and bank assurance.

On December 30<sup>th</sup> 1999 its name was changed to "AXA Bank Belgium", in short AXA Bank or AXA Banque.

The Guarantor offers its services mainly through a network of independent agents.

The Guarantor focuses on financial services to retail clients, such as private persons, independents, liberal professions and small enterprises. To serve these clients, the Guarantor offers base bank services and products such as savings and investments products, treasury services, credit granting, financial transactions and payment transactions.

According to article 3 of its Articles of Association the company's object is to carry out all transactions that are consistent and in accordance with the laws and regulations applicable to credit institutions.

It can carry out all financial transactions, *inter alia* the collection of capital, in whichever way these are repayable, granting credits and credit loans backed by a mortgage or the deposit of values, for its own account and for the account of third parties.

It can finance transactions on account, grant loans and credits, *inter alia* backed by a floating charge, and carry out transactions at discount and re-discount.

It can exercise all activities; carry out or found all businesses and execute all transactions that are, directly or indirectly connected with its object and the nature of which is to promote its realisation, as all businesses or transactions that can be carried out or organized by way of service to its clients, *inter alia* in the area of insurance.

It can carry out all investments in view of the best use of its funds or those that have been entrusted to it.

It can, subject to approval by the general meeting of shareholders, merge with other companies with a similar object, according to such terms considered to be the most suitable.

The Guarantor is rated AA-/Stable/A-1+ by Standard & Poors.

### Investments

There have been no investments made since the date of the last published financial statements.

The Guarantor has not planned any principal future investments, other than in the course of its usual business.

Seen that there are no firm commitments for future investments, no information regarding the anticipated sources of funds needed to fulfil them is provided

## **Business Overview**

The Guarantor focuses on financial services to retail clients, such as private persons, independents, liberal professions and small enterprises. To serve these clients, the Guarantor offers base bank services and products such as savings and investments, treasury, credits, financial transactions and payment transactions.

On 14 June 2006 the AXA group announced the acquisition of Winterthur, which was completed on 22 December 2006. For the AXA Group in Belgium this means a strengthening of its position as leader in fire, property and casualty insurance and a new market for AXA Belgium's life insurance and for AXA Bank's investment products and loans. The main lines for integrating Winterthur into the AXA Group were worked out in the second half of 2006. On 19 March 2007 AXA Holdings Belgium S.A./N.V. announced the acquisition of the Hungarian Retail Bank ELLA, the 6<sup>th</sup> largest supplier of mortgage loans in the country, with 375 million EUR total assets at the end of 2006. Retail banking services are a strategic add-on to AXA's Financial Protection offer and will enable to leverage AXA Bank Belgium know-how to gradually develop these services across AXA Northern and Eastern Europe Region.

## ***Saving and investing***

### **1. Net New Money**

Net New Money ended the financial year with an increase of €195 million after a net transfer of €888 million to the insurance products. Savings accounts contribute most to the growth of Net New Money, because AXA Bank's I-Plus savings account has performed well in the market despite competition from the numerous players in this business segment. The erosion of our bank-issued notes portfolio continued, but at a noticeably slower pace than in 2005.

<b>Total Net New Money (in million euro)</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Balance-sheet products: growth</b>	<b>43</b>	<b>351</b>	<b>416</b>	<b>163</b>	<b>-368</b>	<b>105</b>
Current accounts	51	4	47	86	79	85
Savings accounts	273	677	724	424	34	192
Term accounts	-38	-167	-108	-60	-35	13
Bank-issued notes	-243	-163	-247	-287	-446	-185
<b>Off-balance-sheet AXA (1)</b>	<b>-173</b>	<b>-36</b>	<b>-49</b>	<b>-265</b>	<b>-142</b>	<b>-131</b>
Gross production	341	252	199	305	315	242
Due dates + sales	-514	-288	-248	-570	-457	-373
<b>AXA: net</b>	<b>-130</b>	<b>315</b>	<b>367</b>	<b>-102</b>	<b>-510</b>	<b>-26</b>
<b>Off-balance-sheet products of third parties (gross) (2)</b>	<b>412</b>	<b>299</b>	<b>274</b>	<b>206</b>	<b>249</b>	<b>221</b>
<b>Total</b>	<b>282</b>	<b>614</b>	<b>641</b>	<b>105</b>	<b>-261</b>	<b>195</b>

(1) Includes the investment funds, AXA's Eurobonds and EMTN issues.

(2) Includes stock-exchange transactions, Eurobonds and Government bonds.

### **2. Balance-sheet products**

At the end of the financial year, the capital in savings accounts amounted to €192 million, showing a growth of 3.1 % in the total amount.

In 2006 the market was characterised by a rise in long-term interest rates. In this context, savers often increased the length of term of their investments in favour of alternative savings formulas. This behaviour led – exceptionally – to a decrease in the amount on savings books in Belgium. Competition in the market for savings products thus inevitably increased because of the arrival of new players and formulas. We were able to ward off this movement with our I-Plus savings account.

There was a considerable decline in the bank-issued notes portfolio, due to the weak returns in the short and medium term. The sums that fell due were mainly oriented towards savings accounts and branch 21 insurance investments (which covers life insurance policies with a guaranteed minimum interest yield). The term deposits, which had been declining in previous years, helped to stabilise the portfolio in 2006.

### 3. Off-balance-sheet products

The trend in the redemption by customers of strategic Undertakings for Collective Investment (UCI) stabilised in 2006 at virtually the same level as in 2005, while for the structured UCI's there were fewer sub-funds which came on final maturity than in 2005.

Gross production fell by 23% compared with 2005 (from €315 million in 2005 to €242 m in 2006). New launches continued to be the main contributor to this figure. Furthermore, in 2006 a new EMTN (Euro Medium Term Notes) programme was launched. Customer demand for products with capital protection remained unchanged at a high level in 2006. The most successful sales were of coupon formulas with capital protection, offering one or two high fixed coupons. However, these launches of new sub-funds were not sufficient to compensate for the redemptions or reimbursements at maturity date.

### 4. Total outstanding

The total on-balance and off-balance outstanding portfolios rose by 1.7% to €11,174 million.

We find the most remarkable growth trends in current accounts (up by €85 million), savings accounts (up by €192 million) and term accounts (up by €13 million). Bank-issued notes and off-balance-sheet products declined further.

## **Loans**

### Production figures

EUR millions	2001	2002	2003	2004	2005	2006
Home loans	454	941	1926	2221	2896	1941
Consumer loans	176	210	212	254	305	365
Total loans to private individuals	630	1.151	2.137	2.475	3201	2307
Total loans to professionals	218	248	273	284	290	368
Total gross production	848	1399	2410	2758	3492	2674

#### 1. Loans to private individuals

The granting of loans to private individuals saw a noticeable drop in 2006, after considerable figures since 2001. The reversal of this trend is exclusively due to a drop in the number of home loans made.

Home loans were a manifest growth market up to 2005 as a result of the historically low interest rates and AXA's strong reputation regarding loan provision. However, a change in the interest structure, reflected in a rise in OLO (Linear Bonds) references, offered much less interesting opportunities for

refinancing current home loans. This meant that the number of loan-takeovers fell considerably and the 2006 financial year closed with a drop in total production of about 30%. Furthermore, a highly competitive market led to further reductions in margins. In 2006 AXA Bank achieved a market share of 8.3% in the Belgian home loans market.

As in previous years, these loans were generated through the network of independent banking agents (65% of the loans) and via credit brokers (35%).

Special tariff terms were launched in 2006 for the cross-selling of banking and insurance products. Customers addressing AXA for both the financing of their property investment and for related insurance policies for debit balance and/or fire risk could benefit from extra discounts. The terms for opening and using a new current account at AXA were also extra attractive. This global range of products was given strong promotional support, including at peak times like the Batibouw building trade show.

By the end of 2006 the global portfolio of AXA Bank Belgium of home loans had reached an historic record level of €8.4 billion. The average quality of this loan portfolio, based on several risk models, is very positive.

## 2. The consumer credit market

In the consumer credit market the general economic context continued to be generally favourable: consumer confidence remained relatively stable after a clear recovery in 2005. This indicator is obviously highly sensitive to sudden new developments, such as announcements of restructuring programmes in major industrial sectors. Information like this has an immediate impact on the general economic situation and confidence in the labour market. These two parameters largely determine consumption behaviour and the related need for credit.

In 2006, AXA continued to profile itself in a globally favourable economic climate as a credit provider for instalment loans with an extensive range of products and very attractive rates. This image was promoted through constant publicity campaigns with alternating themes (the Cuypers Family) that responded as much as possible to specific financial needs such as renovation, city trips, “I enjoy life” and other campaigns.

The synergy with insurance activities was also deployed to an increasing extent with such things as the AXA Credit Protection formula, which provides the customer with an attractive total package.

In part thanks to this, credit granting in 2006 rose by 20% in this segment, which is in line with 2005. The ‘consumer credits’ market share increased slightly once again to 5.6%.

Overall, the average quality of the portfolio continued to improve. This was due, among other things, to the continuing positive effects of the inclusion in the scoring models of data from the positive credit databank since the middle of 2003. In addition, a more efficient system for budget analysis contributed to reducing the general claim situation to an all-time low.

## 3. Loans to professionals

In 2006 the provision of loans to professionals saw a considerable 27% growth after not moving during the preceding financial years. This development was due to continuous product improvement and intensive commercial support. The recovery in business confidence also contributed to the growth in this segment. Furthermore, commercial opportunities were maximised through an attractive double offer in the field of insurance and financing.

#### 4. Quality of the loan portfolio

According to the Belgian National Bank, the favourable macroeconomic conditions in 2006 resulted in a drop in the number of outstanding contracts. This positive evolution is also reflected in a good global net-loss-ratio of -0.01% for AXA Bank.

#### ***Bank accounts, transactions and transfer of funds***

The turn of the year once more gave the green light for a new pricing structure for payment transactions. Modifications to management costs and the transaction charge resulted in a significant rise in revenues, which were partly negated by higher repayments to customers in the revised *Bonus Banking*.

The “AXA Bank becomes your chief banker” campaign continued – no longer as a temporary offer, but as a structural promotion of the current account throughout the year. Anyone opening a current account for the first time at AXA Bank was not charged any costs during the first year. This and other campaigns at national (“Your age in Euros!”) and local levels resulted in more than 38,000 new current accounts and a net increase in the portfolio of active accounts of more than 7%. The outstandings on current accounts showed a high growth rate, comparable to that of 2005 (12%) and peaked at the end of the year at EUR 810 million. In combination with a rising interest margin, the gross contribution of this liability item consequently was a good deal higher than in 2005.

The announced opening of the Self-Service machines for each other’s customers became a reality, and AXA Bank followed in the wake of the major banks. At the end of 2006, the number of AXA machines opened was more than 260, and more than 90,000 cash withdrawals by non-AXA customers were made from our Self-Services. But convenience also led AXA Bank customers to use other *Self Banks*. Because of the interchange fee, this gave rise to a costly imbalance, which will be one of the major points for attention in 2007.

In the field of electronic banking, preparations were made for a migration from the Homebanking application to a new and more modern platform. In April 2006 AXA Bank was the first to offer its new and existing customers the Unconnected Card Reader, the highest security level for Internet banking.

In the fall, thanks to this same UCR, debit-card payments became possible on the Internet for our Homebanking customers. The number of Homebanking contracts rose by 20,000 to 70,000, the majority of them active. The total number of active users of e-banking (Homebanking, Self Service or Phone-banking) rose once more, amounting to 146,000 customers by the end of the year. The biggest shifts in the payment transactions landscape were the result of the decision by the major banks to sell the entire package of shares in Banksys and Bank Card Company jointly to Atos-Origin. The reason for this was desire to bring local card payments into line with the Single Euro Payment Area Directive by 1 January 2008. Maestro/Mastercard was retained as the “European” payment system.

In order to ensure continuity in the field of card transactions, new companies were set up. AXA Bank opted, together with the major banks, to take a holding in the Brand & License Maatschappij, set up to temporarily manage the Proton and BC/MC licences. As a result of all this, the agreements between the banks, on the one hand, and Mastercard, Europay and Atos/Banksys on the other were due for thorough revision. At the same time, the “Principles for Migration to Maestro” were established as the guideline for all parties involved in the technical changeover to the Maestro system.

The most important adaptations to procedures, a number of which affect the Front End Agents, concerned cheque transactions (including direct crediting) and the outsourcing of stock exchange transactions to the broker Leleux, the latter to be finalised in 2007.

## **Trend Information**

There has been no material adverse change in the financial position or prospects of the Guarantor and AXA Group since 31 December 2006, the date of its last published audited financial statements. In addition, there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the prospects of the Issuer for the current financial year.

## **Administrative, management and supervisory bodies**

### ***Board of Directors***

The Guarantor is managed by a Board of Directors comprising sixteen members, eight of whom are members of the Management Committee. The directors are appointed by the general meeting for a maximum term of 3 years.

There is no age limit for members of the Board of Directors.

### **Composition of the Board of Directors**

The Board of Directors met four times in 2006.

#### **Chairman**

Alfred BOUCKAERT,

#### **Vice Chairman**

Eugène TEYSEN (since 1 January 2007)

#### **Directors**

Christophe DUPONT-MADINIER,  
Philippe EYBEN (since 30 January 2006),  
Gérard FIEVET,  
Laurent GOUDEMANT (since 1 January 2007)  
Hervé HATT,  
Eric KLEIJNEN (until 12 September 2006),  
Martine MAGNEE (since 1 January 2007),  
Xavier MERIC de BELLEFON (since 12 September 2006),  
Nicolas MOREAU (since 30 January 2006),  
François ROBINET (since 30 January 2006),  
Heinz-Peter ROSS,  
Stéphane SLITS (since 12 September 2006),  
Geert VAN DE WALLE,  
Patrick VANEECKHOUT,  
Paul VAN WINGHEM,  
Philippe WAUTELET.

***Significant principal activities performed by members of the Board of Directors outside the Issuer***

Name	Function	Activities outside the Issuer
Alfred Bouckaert (Chairman)		Member of the Management Board AXA, in charge of Northern, Central and Eastern Europe Chairman AXA Belgium, AXA Assurances Luxembourg, AXA Assurances Vie Luxembourg, AXA Luxembourg, Viaxis, AXA Participations Belgium, Winterthur-Europe Assurances Managing director AXA Holdings Belgium Director Contere, AXA Verzekeringen BV, AXA Nederland BV, AXA Konzern AG, AXA Bank AG, L'Ardenne Prévoyante
Eugène Teysen (Vice Chairman)		Member of the Executive committee AXA CEO AXA Belgium Managing director Winterthur Europe Assurances Director AXA Holdings Belgium and AXA Participations Belgium Chairman L'Ardenne Prévoyante, Servis, Servis-Life, Viaxis
Christophe Dupont-Madinier	Chief Financial Officer (CFO)	Director AXA Belgium, AXA Holdings Belgium, Beran, Servis, Servis-Life, AXA Participations Belgium, AXA Nederland BV, AXA Verzekeringen BV, AXA Luxembourg, AXA Assurances Luxembourg, AXA Assurances Vie Luxembourg, AXA Konzern AG, AXA Versicherung AG, Atelia, Atelia Holding, Touring Assurances and Winterthur Europe Assurances
Xavier Meric de Bellefon		Director AXA Belgium Chairman AXA Holdings Belgium
Gérard Fiévet		Director AXA B Fund, AXA L Fund and AXA Investplus
Stéphane Slits	Chief Distribution, Individual & Small Business	Member of the Executive committee AXA Belgium Director L'Ardenne Prévoyante
Paul Van Wingham		
Hervé Hatt		Chairman AXA Credit
Nicolas Moreau		Member of the Executive committee AXA CEO AXA UK-Ireland Chairman AXA Investment Managers and AXA Multimanager Ltd director AXA REIM
Laurent Goudemant	Chief Product Management, Individual &	Member of the Executive committee AXA Belgium

	small business	Director L'Ardenne Prévoyante
Patrick Vaneeckhout	Chief Credits (CEO AXA Bank Belgium)	Member of the Executive committee AXA Belgium Director AXA Private Management
Martine Magnée	Chief Investments, ALM & REAM	Member of the Executive committee AXA Belgium Chairman AXA Open Fund Management Managing director AXA Participations Belgium Director L'Ardenne Prévoyante, Treves Freehold and Treves Leasehold
Philippe Eyben	Chief Operations & Transactions	Director Banksys Director Mofico (Motor Finance Company)
Geert Van de Walle	Chief Treasury & Portfolio Management	Chairman AXA B Fund; AXA L Fund; AXA Investplus; AXA Open Fund Management; AXA Private Management
Philippe Wautelet	Chief IT & Organisation	Member of the Executive committee AXA Belgium Director ISCC
Heinz-Peter Ross		Chief Executive Officer AXA Bank AG (Duitsland); Chairman AXA Bausparkasse AG; director AXA Konzern AG
François Robinet		Contrôleur de gestion GIE AXA Trésorerie Europe

### ***Management Committee***

#### *Composition of the Management Committee*

As defined in the protocol on the autonomy of the banking function, the management of the bank is entrusted to the Management Committee (the MC), comprising members of the Board of Directors.

The MC currently consists of eight members and one associate member. The latter is not a member of the Board of Directors and, according to the hierarchy, he reports to the Chairman of the MC.

The members of the MC form a college to which the status of organ of the company has been assigned. The powers and responsibilities are incumbent upon the MC and not upon its individual members. The members of the MC can, however, determine an internal division of tasks.

The mission of the MC is the management of the activities of the Guarantor. This management is executed without any external interference, within the limits of the general policy as determined by the Board of Directors.

In that regard the MC has all necessary powers of decision and representation. It operates under the supervision of the Board of Directors, which retains exclusive authority over the general policy of the company and of all other matters that have been reserved for it by the Belgian Companies Code.

The MC consists only of members that are part of the Board of Directors. The Board of Directors appoint and remove the members of the MC.



The MC has at least three members, among whom a chairman is appointed. The members of the MC cannot on any account form a majority in the Board of Directors. Every appointment in the MC is submitted to the Banking, Finance and Insurance Commission.

The MC meet whenever this is necessary in the interest of the company and usually at least once every two weeks.

### **Chairman**

Patrick VANEECKHOUT

### **Members**

Christophe DUPONT-MADINIER,  
Philippe EYBEN (since 30 January 2006),  
Laurent GOUDEMANT (since 1 January 2007),  
Martine MAGNEE (since 1 January 2007),  
Stéphane SLITS (since 12 September 2006),  
Geert VAN DE WALLE,  
Philippe WAUTELET.

### **Associate member**

Georges ANTHOON

### ***Administrative, management, and supervisory bodies' conflicts of interests***

There are no potential conflicts of interests between any duties to the Guarantor of any of the members of the Board of Directors or the members of the Managing Board and their private interests and/or other duties.

### ***Audit Committee and corporate governance regime compliance***

The audit committee of the Guarantor is composed *exclusively of non-executive* Board members and consists of no less than three and no more than five members.

The Committee meets at least four times a year, with authority to convene additional meetings, as circumstances require. It can also meet upon request of at least half of its members or upon request of the Chairman of the Board.

The Committee:

- (a) oversees the activities and systems of control over events that expose the company to significant risk;
- (b) advises the Board on the financial reporting process, the systems of internal control over financial reporting and the accuracy and integrity of the company's financial statements;
- (c) oversees the qualifications and independence of the external auditors; and
- (d) oversees the performance of the company's internal audit function.

The Guarantor does generally comply with the corporate governance regime of Belgium on a voluntary basis, seen that it applies to listed companies only.

## **Major Shareholders**

The Guarantor is a wholly owned subsidiary of AXA Holdings Belgium. The latter also owns 100% of the shares of AXA Belgium, the second largest insurance group in Belgium and it is part of the worldwide AXA Group.

There is no arrangement that may result in a change in control of the Guarantor.

## **Financial Information**

As set forth under "Documents incorporated by reference", the audited consolidated annual financial statements for the financial years ended 31 December 2006 and 31 December 2005 of the Guarantor shall be incorporated in, and form part of, this Offering Circular.

## **Auditors Report**

The auditors, PricewaterhouseCoopers Reviseurs d'Entreprises scrl, issued unqualified auditors' reports for the financial years ended 31 December 2006 and 2005 in relation to AXA Bank Belgium S.A./N.V. on 11 April 2007 and 27 March 2006 respectively. For a better understanding of the company's financial position and results and of the scope of the audit, the financial information should be read in conjunction with the financial statements from which it has been derived and the auditor's reports thereon.

## **Selected financial information**

The following financial information and historical financial information relates to the financial years ended 31 December 2006 and 31 December 2005 and has been extracted without material adjustment from the audited consolidated financial statements related thereto. The financial year 2006 is the first year that the Guarantor has prepared its consolidated financial information in accordance with IFRS. In previous years, it prepared its financial information in accordance with generally accepted accounting principles in Belgium. Comparative figures for the financial year ended 2005 have been restated in accordance with IFRS.

**AXA Bank Belgium S.A./N.V.- Consolidated balance sheet and consolidated profit and loss account**

31 December 2006 31 December 2005

<b>Consolidated Balance Sheet Statement - Assets</b>	<b>2006.12</b> <i>in 000 eur</i>	<b>2005.12</b> <i>in 000 eur</i>
Cash and cash balances with central banks	149,437	139,435
Financial assets held for trading	188,881	238,972
Financial assets designated at fair value through profit or loss	145,005	695,454
Available-for-sale financial assets	5,049,525	5,410,783
Loans and receivables (including finance leases)	13,030,881	10,127,083
Held-to-maturity investments	0	0
Derivatives used for hedging	13,432	117,133
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-33,982	-1,767
Accrued income from financial instruments	249,457	353,716
Tangible assets	5,379	6,959
<i>Property, Plant and Equipment</i>	5,379	6,959
<i>Investment property</i>	0	0
Goodwill and other intangible assets	0	0
Investments in associates, subsidiaries and joint ventures (accounted for using the equity method - including goodwill)	0	0
Current tax assets	3,509	4,042
Deferred tax assets	18,780	11,168
Other assets	71,347	69,723
Non-current assets and disposal groups classified as held for sale	0	0
<b>TOTAL ASSETS</b>	<b>18,891,651</b>	<b>17,172,701</b>

<b>Consolidated Balance Sheet Statement - Liabilities</b>	<b>2006.12 in 000 eur</b>	<b>2005.12 in 000 eur</b>
Deposits from central banks		
Financial liabilities held for trading	150,641	236,867
Financial liabilities designated at fair value through profit or loss	57,411	0
Financial liabilities measured at amortised cost	13,889,615	12,543,651
<i>Deposits from</i>	12,221,552	10,751,381
<i>Credit institutions</i>	1,026,049	1,323,875
<i>Other than credit institutions</i>	11,195,503	9,427,506
<i>Debt certificates including bonds</i>	1,069,642	1,245,566
<i>Subordinated liabilities</i>	420,515	382,236
<i>Other financial liabilities</i>	177,906	164,468
Financial liabilities associated with transferred assets	3,885,319	3,241,678
Derivatives used for hedging	18,831	131,024
Fair value changes of the hedged items in a portfolio hedge of interest rate risk	0	0
Accrued expenses on financial instruments	239,262	315,975
Provisions	137,863	145,096
Current tax liabilities	28,023	28,021
Deferred tax liabilities	1,241	11,534
Other liabilities (including finance leases)	33,001	40,881
Liabilities included in disposal groups classified as held for sale	0	0
Share capital repayable on demand	0	0
<b>TOTAL LIABILITIES</b>	<b>18,441,207</b>	<b>16,694,727</b>

<b>Consolidated Balance Sheet Statement - Equity and minority interest</b>	<b>2006.12</b> <i>in 000 eur</i>	<b>2005.12</b> <i>in 000 eur</i>
<b>Issued capital</b>	6,250	6,250
<i>Paid in capital</i>	6,250	6,250
<i>Unpaid capital which has been called up</i>	0	0
<b>Share premium</b>	0	0
<b>Other Equity</b>	0	0
<i>Equity component of compound financial instruments</i>	0	0
<i>Other</i>	0	0
<b>Revaluation reserves (valuation differences)</b>	-29,520	6,924
<i>Tangible assets revaluation reserve</i>	0	0
<i>Intangible assets revaluation reserve</i>	0	0
<i>Hedge of net investments in foreign operations reserve (effective portion)</i>	0	0
<i>Foreign currency translation reserve</i>	0	0
<i>Cash flow hedges reserve (effective portion)</i>	0	0
<i>Fair value revaluation reserve on available for sale financial assets</i>	-31,060	8,989
<i>Relating to non-current assets or disposal groups held for sale</i>	0	0
<i>Other revaluation reserves</i>	1,540	-2,065
<b>Reserves (including retained earnings)</b>	443,182	395,789
<b>&lt;Treasury shares&gt;</b>	0	0
<b>Income from current year</b>	30,532	69,011
<b>&lt;Interim dividends&gt;</b>	0	0
<b>Minority interest</b>	0	0
<i>Revaluation reserves</i>	0	0
<i>Other</i>	0	0
<b><u>TOTAL EQUITY AND MINORITY INTEREST</u></b>	<b>450,444</b>	<b>477,974</b>
<b><u>TOTAL LIABILITIES, MINORITY INTEREST AND EQUITY</u></b>	<b>18,891,651</b>	<b>17,172,701</b>

Consolidated profit or loss for the year ended 31 December 2006 and 31 December 2005.

<b>Consolidated profit or loss</b>	<b>2006.12</b> <i>in 000 eur</i>	<b>2005.12</b> <i>in 000 eur</i>
<b>CONTINUING OPERATIONS</b>		
<b>Financial &amp; operating income and expenses</b>	222,940	263,207
Interest income	1,343,492	1,301,161
Interest expenses	-1,158,672	-1,122,742
Expenses on share capital repayable on demand	0	0
Dividend income	3,132	1,700
Fee and commission income	36,260	32,600
Fee and commission expenses	-38,976	-23,737
Realised gains and losses on financial assets & liabilities not measured at fair value through profit or loss	5,277	59,672
Gains and losses on financial assets and liabilities held for trading (net)	10,004	18,474
Gains and losses on financial assets and liabilities designated at fair value through profit or loss (net)	-7,997	-32,328
Fair value adjustments in hedge accounting	4,042	17,703
Exchange differences revaluations	1,747	-3,989
Gains and losses on derecognition of assets other than held for sale	7,962	786
Other operating net income	16,669	13,907
<b>Administration costs</b>	194,746	185,822
Staff expenses	92,447	95,276
General and administrative expenses	102,299	90,546
<b>Depreciation</b>	1,456	1,530
Property, Plant and Equipment	1,248	1,248
Investment Properties	140	68
Intangible assets (other than goodwill)	68	214
<b>Provisions</b>	-3,604	-2,562
<b>Impairment</b>	-1,873	-15,499
<b>Impairment losses on financial assets not measured at fair value through profit or loss</b>	-1,873	-15,499
Financial assets measured at cost (unquoted equity and related derivatives)	4	798
Available for sale financial assets measured at fair value through equity	0	0
Loans and receivables measured at amortized cost (including finance leases)	-1,877	-16,297
Held to maturity investments measured at amortized cost	0	0
<b>Impairment on</b>	0	0
Property, plant and equipment	0	0
Investment properties	0	0
Intangible assets	0	0
Investments in associates and joint ventures accounted for using the equity method	0	0
Other	0	0
<b>Negative goodwill immediately recognised in profit or loss</b>	0	0
<b>Share of the profit or loss of associates, and joint ventures accounted for using the equity method</b>	0	0
<b>Total profit or loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations</b>	0	0
<b>TOTAL PROFIT OR LOSS BEFORE TAX AND MINORITY INTEREST FROM CONTINUING OPERATIONS</b>	32,215	93,916
Tax expense (income) related to profit or loss from continuing operations	1,683	24,905
<b>TOTAL PROFIT OR LOSS AFTER TAX AND BEFORE MINORITY INTEREST FROM CONTINUING OPERATIONS</b>	30,532	69,011
<b>TOTAL PROFIT OR LOSS AFTER TAX FROM DISCONTINUED OPERATIONS</b>	0	0
<b>TOTAL PROFIT OR LOSS AFTER TAX AND DISCONTINUED OPERATIONS AND BEFORE MINORITY INTEREST</b>	30,532	69,011
Minority interest	0	0
<b>NET PROFIT OR LOSS</b>	30,532	69,011

## **TAXATION**

### **Dutch Taxation**

*This is a general summary and the tax consequences as described here may not apply to a holder of Notes. Any potential investor should consult his own tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes in his particular circumstances.*

This taxation summary solely addresses the principal Dutch tax consequences of the acquisition, the ownership and disposition of Notes. It does not consider every aspect of taxation that may be relevant to a particular holder of Notes under special circumstances or who is subject to special treatment under applicable law. Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law.

This summary is based on the tax laws of the Netherlands as they are in force and in effect on the date of this Offering Circular. The laws upon which this summary is based are subject to change, perhaps with retroactive effect. A change to such laws may invalidate the contents of this summary, which will not be updated to reflect any such change. This summary assumes that each transaction with respect to Notes is at arm's length.

### ***Withholding tax***

All payments under Notes may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, except where Notes are issued under such terms and conditions that such Notes are capable of being classified as equity of the Issuer for Dutch tax purposes or actually function as equity of the Issuer within the meaning of article 10, paragraph 1, letter d, of the Dutch Corporation Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

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

The summary set out in this section "Taxes on income and capital gains" only applies to a holder of Notes who is neither resident nor deemed to be resident in the Netherlands for the purposes of Dutch income tax or corporation tax, as the case may be, and, in the case of an individual, has not elected to be treated as a resident of the Netherlands for Dutch income tax purposes (a "Non-Resident holder of Notes").

### ***Individuals***

A Non-Resident holder of Notes who is an individual will not be subject to any Dutch taxes on income or capital gains in respect of any benefits derived or deemed to be derived from Notes, including any payment under Notes and any gain realised on the disposal of Notes, except if

1. he derives profits from an enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net value of such enterprise, other than as a shareholder, such enterprise either being managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands and his Notes are attributable to such enterprise or part of an enterprise, as the case may be; or
2. he derives benefits or is deemed to derive benefits from Notes that are taxable as benefits from miscellaneous activities in the Netherlands (*resultaat uit overige werkzaamheden in Nederland*).

If a holder of Notes is an individual who does not come under exception 1. above, and if he derives or is deemed to derive benefits from Notes, including any payment thereunder and any gain realised on the disposal thereof, such benefits are taxable as benefits from miscellaneous activities in the Netherlands if he, or an individual who is a connected person in relation to him as meant by article 3.91, paragraph 2, letter b, or c, of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*), has a substantial interest (*aanmerkelijk belang*) in the Issuer.

A person has a substantial interest in the Issuer if such person – either alone or, in the case of an individual, together with his partner (*partner*), if any – owns, directly or indirectly, either a number of shares representing five per cent. or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the Issuer, or rights to acquire, directly or indirectly, shares, whether or not already issued, representing five per cent. or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the Issuer, or the ownership of profit participating certificates (*winstbewijzen*) relating to five per cent. or more of the annual profit of the Issuer or to five per cent. or more of the liquidation proceeds of the Issuer.

A person who is entitled to the benefits from shares or profit participating certificates (for instance a holder of a right of usufruct) is deemed to be a holder of shares or profit participating certificates, as the case may be, and such person's entitlement to such benefits is considered a share or a profit participating certificate, as the case may be.

Furthermore, a holder of Notes who is an individual and who does not come under exception 1. above may, *inter alia*, derive benefits from Notes that are taxable as benefits from miscellaneous activities in the following circumstances, if such activities are performed or deemed to be performed in the Netherlands:

- (a) if his investment activities go beyond the activities of an active portfolio investor, for instance in case of the use of insider knowledge (*voorkennis*) or comparable forms of special knowledge; or
- (b) if he makes Notes available or is deemed to make Notes available, legally or in fact, directly or indirectly, to certain parties as meant in articles 3.91 and 3.92 of the Dutch Income Tax Act 2001 under circumstances described there.

### ***Entities***

A Non-Resident holder of Notes other than an individual will not be subject to any Dutch taxes on income or capital gains in respect of benefits derived or deemed to be derived from Notes, including any payment under Notes or any gain realised on the disposal of Notes, except if

- (a) such Non-Resident holder of Notes derives profits from an enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net value of such enterprise, other than as a holder of securities, such enterprise either being managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, and its Notes are attributable to such enterprise or part of an enterprise, as the case may be; or
- (b) such Non-Resident holder of Notes has a substantial interest in the Issuer.

A person other than an individual has a substantial interest in the Issuer, (i) if it has a substantial interest in the Issuer (as described above under *Individuals*) or (ii) if it has a deemed substantial interest in the Issuer. A deemed substantial interest may be present if its shares, profit participating certificates or rights to acquire shares or profit participating certificates in the Issuer have been acquired by such person or are deemed to have been acquired by such person on a non-recognition basis.



## **General**

Subject to the above, a Non-Resident holder of Notes will not be subject to income taxation in the Netherlands by reason only of the execution (*ondertekening*), delivery (*overhandiging*) and/or enforcement of the documents relating to the issue of Notes or the performance by the Issuer of its obligations thereunder or under Notes.

## **Gift and inheritance taxes**

A person who acquires Notes as a gift, in form or in substance, or who acquires or is deemed to acquire Notes on the death of an individual, will not be subject to Dutch gift tax or to Dutch inheritance tax, as the case may be, unless:

- (i) the donor is, or the deceased was resident or deemed to be resident in the Netherlands for purposes of gift or inheritance tax, as the case may be; or
- (ii) Notes are or were attributable to an enterprise or part of an enterprise that the donor or the deceased carried on through a permanent establishment or a permanent representative in the Netherlands at the time of the gift or of the death of the deceased; or
- (iii) the donor made a gift of Notes, then became a resident or deemed resident of the Netherlands, and died as a resident or deemed resident of the Netherlands within 180 days of the date of the gift.

## **Other taxes and duties**

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, is payable in the Netherlands in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including the enforcement of any foreign judgment in the courts of the Netherlands) of the documents relating to the issue of Notes, the performance by the Issuer of its obligations thereunder or under Notes or in respect of or in connection with the transfer of Notes.

## **Belgian Taxation**

*This is a general summary and the tax consequences as described here may not apply to a holder of Notes. Any potential investor should consult his own tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes in his particular circumstances.*

This taxation summary solely addresses the principal Belgian tax consequences of the acquisition, the ownership and disposition of Notes. It does not consider every aspect of taxation that may be relevant to a particular holder of Notes under special circumstances or who is subject to special treatment under applicable law. Where in this summary English terms and expressions are used to refer to Belgian concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Belgian concepts under Belgian tax law.

This summary is based on the tax laws of Belgium as they are in force and in effect on the date of this Offering Circular. The laws upon which this summary is based are subject to change, perhaps with retroactive effect. A change to such laws may invalidate the contents of this summary, which will not be updated to reflect any such change. This summary assumes that each transaction with respect to Notes is at arm's length.

## **Withholding tax**

All payments under Notes made by the Guarantor may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by Belgium or any political subdivision or taxing authority thereof or therein.

All payments under Notes made by a Belgian Paying Agent, if any, may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by Belgium or any political subdivision or taxing authorities thereof or therein except in case of for example :

- (i) payment of interest derived from Notes to a Belgian-resident individual; or
- (ii) payment of interest derived from Notes to a non-Belgian individual or entity resident in a country with which Belgium has not concluded a tax treaty.

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

#### ***Resident individuals***

A resident holder of Notes who is an individual will be subject to Belgian taxes on income in respect of any benefits derived from Notes, including any payment under Notes (withholding tax is the final taxation) but may not be taxable on capital gains realised on the disposal of Notes.

#### ***Resident entities***

A resident holder of Notes other than an individual will be subject to Belgian taxes on income or capital gains in respect of benefits derived from Notes, including any payment under Notes or any gain realised on the disposal of Notes.

#### ***Non-resident individuals***

A non-resident holder of Notes who is an individual will not be subject to Belgian taxes on income or capital gains in respect of any benefits derived from Notes, including any payment under Notes and any gain realised on the disposal of Notes. If the holder of Notes is a resident of a country with which Belgium has not concluded a tax treaty, Belgian interest withholding tax may be due on the payment of interest derived from Notes made by a Belgian Paying Agent, if any.

#### ***Non-resident entities***

A non-resident holder of Notes other than an individual will not be subject to Belgian taxes on income or capital gains in respect of benefits derived from Notes, including any payment under Notes or any gain realised on the disposal of Notes, absent a Belgian permanent establishment to which Notes should be allocated. If the holder of Notes is a resident of a country with which Belgium has not concluded a tax treaty, Belgian interest withholding tax may be due on the payment of interest derived from Notes made by a Belgian Paying Agent, if any.

### ***Gift and inheritance taxes***

A person who acquires Notes as a gift, in form or in substance, will not be subject to Belgian gift tax absent a Belgian notarial deed or voluntary registration in Belgium of a non-Belgian notarial deed. Belgian inheritance tax will be due by a person who acquired Notes as a gift in case of decease of a Belgian resident donor (or deemed resident for Belgian inheritance tax purposes) within three years as of the date of the gift (and in case no Belgian gift tax was paid).

A person who acquires or is deemed to acquire Notes upon the death of an individual, will not be subject to Belgian inheritance tax, as the case may be, unless the deceased was resident or deemed to be resident in Belgium for purposes of inheritance tax.

### ***Other taxes and duties***

No Belgian registration tax, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, is payable in Belgium in respect of or in connection with the execution, delivery

and/or enforcement by legal proceedings (including the enforcement of any foreign judgment in the courts of Belgium) of the documents relating to the issue of Notes, the performance by the Issuer of its obligations thereunder or under Notes or in respect of or in connection with the transfer of Notes.

### **EU savings directive**

Under European Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland) with effect from the same date.

## SUBSCRIPTION AND SALE

The Dealers have, in a programme agreement (the **Programme Agreement**) dated 20 July 2007, agreed with the Issuer and the Guarantor a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*". In the Programme Agreement, the Issuer (failing which, the Guarantor) has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### United States

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

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that 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, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period 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. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

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

Each issuance of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms.

### European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented 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 to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

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

For the purposes of this provision, the expression an “offer of 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 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 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 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.

### **The Netherlands**

Bearer Zero Coupon Notes and other Notes which qualify as savings certificates as defined in the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) may only be transferred or accepted

through the mediation of either the Issuer or a Member of Euronext Amsterdam N.V. with due observance of the Savings Certificates Act and its implementing regulations (including registration requirements), provided that no mediation is required in respect of (i) the initial issue of those Notes to the first holders thereof, (ii) any transfer and delivery by individuals who do not act in the conduct of a profession or trade, and (iii) the issue and trading of those Notes, if they are physically issued outside The Netherlands and are not distributed in The Netherlands in the course of primary trading or immediately thereafter.

## **Belgium**

The offering and sale of Notes contained in this Offering Circular is exclusively conducted under applicable private placement exemptions and therefore it has not been and will not be notified to, and any other offering material relating to the offering has not been, and will not be, approved by the Belgian Banking, Finance and Insurance Commission (*Commission Bancaire, Financière et des Assurances/Commissie voor het Bank-, Financie- en Assurantiewezen*) pursuant to the Belgian laws and regulations applicable to the public offering of securities. Accordingly, offering and sale of Notes as well as any other materials relating to the offering may not be advertised, offered or distributed in any other way, directly or indirectly, to any other person located and/or resident in Belgium other than in circumstances which do not constitute an offer to the public in Belgium pursuant to the Belgian law of June 16, 2006 on the public offering of investment instruments and the admission of investment instruments to trading on a regulated market (*loi relative aux offres publiques d'instruments de placement et aux admissions d'instruments de placement à la négociation sur des marchés réglementés/wet op de openbare aanbieding van beleggingsinstrumenten en de toelating van beleggingsinstrumenten tot de verhandeling op een gereglementeerde markt*) or to any person qualifying as a consumer within the meaning of Article 1.7° of the Belgian law of 14th July 1991 on consumer protection and trade practices unless such sale is made in compliance with this law and its implementing regulation.

## **General**

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Guarantor nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer, the Guarantor and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

## **GENERAL INFORMATION**

### **Authorisation**

The establishment of the Programme and the issue of Notes have been duly authorised by a resolution of the Board of Directors of the Issuer dated 29 June 2007, and the giving of the Guarantee has been duly authorised by a resolution of the Management Committee of the Guarantor dated 10 May 2007.

### **Listing of Notes**

Application has been made to Euronext Amsterdam for Notes issued under the Programme and up to the expiry of 12 months from the date of this Prospectus to be admitted to trading on Euronext Amsterdam.

### **Documents Available**

For the period of 12 months following the date of this Offering Circular, copies of the following documents will, when published, be available for inspection from the registered office of the Issuer and from the specified offices of the Paying Agents for the time being in Amsterdam:

- (a) the most recent articles of association of the Issuer and the most recent articles of association of the Guarantor;
- (b) the unaudited financial statements of the Issuer in respect of the financial years ended 2005 and 2006 (with an English translation thereof) and the consolidated financial statements of the Guarantor in respect of the financial years ended 2005 and 2006 (with an English translation thereof), in each case together with the audit reports prepared in connection therewith (source: KPMG Accountants N.V., financial advisor to the Issuer).
- (c) the most recently published audited annual financial statements of the Guarantor and the most recently published unaudited interim financial statements (if any) of the Guarantor (in each case with an English translation thereof), in each case together with any audit or review reports prepared in connection therewith;
- (d) the Programme Agreement, the Agency Agreement, the Guarantee, and the forms of the Global Notes, the Notes in definitive form, the Receipts, the Coupons and the Talons;
- (e) a copy of this Offering Circular;
- (f) any future offering circulars, prospectuses, information memoranda and supplements including Final Terms (save that a Final Terms relating to a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Notes and identity) to this Offering Circular and any other documents incorporated herein or therein by reference;
- (g) in the case of each issue of Notes admitted to trading on Euronext Amsterdam subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document); and
- (h) A copy of the 403 Declaration is available for inspection at the Trade Register of the Chamber of Commerce in Utrecht, Kroonstraat 50, 3511 RC, Utrecht, The Netherlands.

## **Clearing Systems**

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and the LCH Clearnet S.A. Amsterdam Branch Stock Clearing. The appropriate Common Code, ISIN and Fondscode for each Tranche of Notes allocated by Euroclear, Clearstream, Luxembourg and the LCH Clearnet S.A. Amsterdam Branch Stock Clearing, and any other relevant security code, will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

## **Conditions for determining price**

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

## **Significant or Material Change**

There has been no significant change in the financial position of the AXA Group since 31 December 2006 and there has been no material adverse change in the financial position or prospects of the AXA Group since 31 December 2006.

## **Litigation**

Neither the Issuer nor the Guarantor nor any other member of the AXA Group to which they belong is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or the Guarantor are aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer, Guarantor and/or the AXA Group.

## **403 Declaration**

On the basis of Article 2:398 of the Dutch Civil Code ("DCC") article 2:396(1) does not apply to the Issuer. A 403- declaration has been filed by the Guarantor. The Guarantor has given a guarantee (referred to as a '403 Declaration') dated 20 April 2007 in respect of debt obligations of the Issuer. The 403 Declaration constitutes the legal, valid and binding obligation of the Guarantor, enforceable under Dutch Company law in accordance with its terms. The effect of the issue and deposit by the Guarantor of its 403 Declaration with the Trade Register of the Chamber of Commerce in Utrecht is that the Guarantor and the Issuer have become jointly and severally liable for all debts of the Issuer arising from transactions entered into by the Issuer after the date of the deposit. The 403 Declaration accordingly constitutes a guarantee by the Guarantor for Notes issued by the Issuer.

## **The auditors**

The auditors of the Guarantor are PricewaterhouseCoopers Reviseurs d'Entreprises scrl, Woluwegarden – Woluwedal 18 B - 1932 BRUSSELS (member of IBR – IRE Instituut der Bedrijfsrevisoren/ Institut des Réviseurs d'Entreprises), who have audited the Guarantor's accounts, without qualification, for each of the two financial years ended on 31 December 2005 and 2006, the latter in accordance with IFRS. The auditors of the Guarantor have no material interest in the Guarantor.

## **Post-issuance information**

The Issuer does not intend to provide any post-issuance information in relation to any issues of Note.



**Dealers transacting with the Issuer and the Guarantor**

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 to the Issuer, the Guarantor and their affiliates in the ordinary course of business.

## **ISSUER**

### **AXA BELGIUM FINANCE (NL) B.V.**

Graadt van Roggenweg 500  
3531 AH Utrecht  
The Netherlands

## **GUARANTOR**

### **AXA BANK BELGIUM S.A./N.V.**

Grote Steenweg 214  
B-2600 Antwerpen  
Belgium

## **ISSUING AND PRINCIPAL PAYING AGENT**

### **DEXIA BANQUE INTERNATIONALE A LUXEMBOURG SOCIETE ANONYME**

69 route d'Esch  
L-2953 Luxembourg  
Luxembourg

## **PAYING AGENT**

### **ABN AMRO BANK N.V.**

Gustav Mahlerlaan 10 (HQ 6032)  
1082 PP Amsterdam  
The Netherlands

## **LEGAL ADVISERS**

*To the Guarantor in Belgium*

### **Loyens Advocaten / Avocats**

Neerveldstraat 101-103  
B-1200 Brussels  
Belgium

*To the Issuer in The Netherlands*

### **Loyens & Loeff N.V.**

Fred. Roeskestraat 100  
1076 ED Amsterdam  
The Netherlands

*To the Dealers in the Netherlands*

### **Allen & Overy LLP**

Apollolaan 15  
1077 AB Amsterdam  
The Netherlands

## **ARRANGER**

### **ABN AMRO Bank N.V.**

250 Bishopsgate  
London EC2M 4AA  
United Kingdom

## **AUDITORS**

*To the Issuer*  
None

*To the Guarantor*  
**PricewaterhouseCoopers Reviseurs  
d'Entreprises scrl**  
Woluwegarden – Woluwedal 18  
B - 1932 BRUSSELS  
Belgium

## **LISTING AGENT**

ABN AMRO Bank N.V.  
Gustav Mahlerlaan 10 (HQ 6032)  
1082 PP Amsterdam  
The Netherlands