

**SECOND SUPPLEMENTAL PROSPECTUS TO THE BASE PROSPECTUS DATED 19 OCTOBER
2016**



de Volksbank N.V.

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

Under its Debt Issuance Programme (the “**Programme**”), de Volksbank N.V. (the “**Issuer**” or “**de Volksbank**”) may from time to time issue notes (the “**Notes**”) denominated in any currency agreed between the Issuer and the relevant Dealer, if any. This Second supplemental prospectus (the “**Second Supplemental Prospectus**”) is based on Article 5:23 of the Dutch Financial Supervision Act (the “**DFSA**”) and is supplemental to, forms part of, and should be read in conjunction with the prospectus in relation to the Programme dated 19 October 2016 (the “**Base Prospectus**”) and the first supplemental prospectus dated 9 March 2017 (the “**First Supplemental Prospectus**”). The purpose of this Second Supplemental Prospectus is, *inter alia*, to incorporate by reference de Volksbank’s publicly available Interim Financial Report for the six months ended 30 June 2017 and the related press release dated 24 August 2017 into the Base Prospectus, as described in more detail below.

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

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

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

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

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

This Second Supplemental Prospectus is supplemental to, forms part of, and should be read in conjunction and construed together with the Base Prospectus and the First Supplemental Prospectus including any documents incorporated by reference therein, (which can be found on <https://www.devолksbank.nl/investor-relations/debt-informatie/unsecured-funding/medium-term-notes.html>) and may be obtained by contacting the Issuer by telephone (+31 30 291 42 46) or by email: jacob.bosscha@devолksbank.nl and kagan.koktas@devолksbank.nl), and in relation to any Tranche, the Base Prospectus, the First Supplemental Prospectus and this Second Supplemental Prospectus should be read and construed together with the relevant Final Terms.

RESPONSIBILITY STATEMENT

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

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

NOTICE

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

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

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

The Base Prospectus (as supplemented by the First Supplemental Prospectus and this Second Supplemental Prospectus) is valid for 12 months following the date of the Base Prospectus and the Base Prospectus, the First Supplemental Prospectus and this Second Supplemental Prospectus, any other supplement to the Base Prospectus as well as any Final Terms reflect the status as of their respective dates of issue. The delivery of the Base Prospectus (as supplemented by the First Supplemental Prospectus and this Second Supplemental Prospectus) or any Final Terms and the offering, sale or delivery of any Notes shall not in any circumstances imply that the information contained in such documents is correct at any time subsequent to their respective dates of issue or that there has been no adverse change in the financial situation of the Issuer since such date or that any

other information supplied in connection with the Programme or the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the time indicated in the document containing the same. The Arranger and any Dealer expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, inter alia, the most recent financial statements of the Issuer when deciding whether or not to purchase any Notes.

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

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

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

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes (including an evaluation of the financial condition, creditworthiness and affairs of the Issuer) and the information contained or incorporated by reference in the Base Prospectus, the First Supplemental Prospectus and this Second Supplemental Prospectus and the applicable Final Terms;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks (including, without limitation, those described in "Risk Factors" in the Base Prospectus).

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes unless it has the

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

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

The Base Prospectus, the First Supplemental Prospectus and this Second Supplemental Prospectus may only be used for the purpose for which it has been published.

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

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

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

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

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

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

SUPPLEMENTAL INFORMATION

- On page 89 the reference to the document mentioned under (b) and (n) shall be deleted from the list of documents incorporated in the Base Prospectus, and shall be replaced with the following document:

(b) The Issuer's publicly available interim financial report for the period ended 30 June 2017 entitled "*Interim Financial Report 2017*" (with the exception of the paragraph 'Outlook' set forth on page 7), which includes a review report related to the condensed consolidated interim financial statements of de Volksbank N.V., Utrecht, set forth on pages 30 to 40 dated 23 August 2017 from Ernst & Young Accountants LLP (as set forth on page 41);

(n) A press release published by the Issuer on 24 August 2017 regarding the Issuer's 2017 half-year results published on 24 August 2017;

- On page 89 the following documents shall be added to the list of documents incorporated in and to form part of, the Base Prospectus (with the deletion of "and" at the end of paragraph (o) and replacement of "." at the end of paragraph (p) with ";;")

(q) A press release published by the Issuer on 24 August 2017 regarding the appointment of a new member of the Supervisory Board of the Issuer; and

(r) A press release published by the Issuer on 24 August 2017 regarding the resignation of Mr. R.G.J. Langezaal as member of the Board of Directors.