



Van Lanschot N.V.

(incorporated in the Netherlands with its statutory seat in 's-Hertogenbosch)

EUR 5,000,000,000 Debt Issuance Programme

Under the EUR 5,000,000,000 Debt Issuance Programme described in this Base Prospectus (the "**Programme**"), Van Lanschot N.V. (the "**Issuer**") may from time to time issue notes denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below) (the "**Notes**", which expression shall include Senior Notes and Subordinated Notes (each as defined in the Terms and Conditions)). Subordinated Notes will have a minimum denomination of at least EUR 100,000 (or its equivalent in any other currency). The maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed EUR 5,000,000,000 (or its equivalent in any other currency calculated as described herein).

The Notes may be issued on a continuing basis through intermediation of one or more of the Dealers specified below and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**"). The Dealer or Dealers with whom the Issuer agrees or proposes to agree on the issue of any Notes is or are referred to as the "**relevant Dealer**" in respect of those Notes.

As of the date of this Base Prospectus, each of Fitch Ratings Ltd. ("**Fitch**") and Standard & Poor's Credit Market Services Europe Limited ("**S&P**") is established in the European Union and is registered under Regulation (EC) No 1060/2009 of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**"). The rating of a certain Series or Tranches of Notes may be specified in the applicable Final Terms. Whether a credit rating applied for in relation to a relevant Series or Tranche of Notes will be issued by a credit rating agency established in the European Union and registered or certified under the CRA Regulation or by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation will be disclosed clearly and prominently in the applicable Final Terms. Where a Tranche or Series of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Notes already issued or be the same as the ratings assigned to the Programme. None of such ratings is a recommendation to buy, sell or hold securities and any of them may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without prior notice. The Programme has been rated BBB+ (in respect of Notes with a maturity of more than one year) and A-2 (in respect of Notes with a maturity of one year or less) by S&P and has been rated F2 (in respect of short-term senior unsecured Notes) and BBB+ (in respect of senior unsecured medium-term Notes) by Fitch. Relevant rating information in respect of the Issuer and the Notes is stated in the chapter '*General Information*'.

This Base 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 (as amended or superseded) and includes any relevant implementing measures in the relevant Member State (the "**Prospectus Directive**"), as a base prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the Netherlands for the purpose of giving information with regard to the issue of Notes during the period of twelve months after the date hereof.

The AFM has been requested to provide the Belgium *Financial Services and Markets Authority* (the "**FSMA**") and the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**") with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with Regulation (EU) 809/2004/EC (the "**Prospectus Regulation**", which term includes any amendments thereto). The AFM shall notify the European Securities and Markets Authority ("**ESMA**") of the approval of this Base Prospectus and any supplement hereto at the same time as such approval is notified to the Issuer. In addition, the AFM shall provide ESMA with a copy of this Base Prospectus and any supplement hereto.

Application may be made for Notes to be admitted to trading on Euronext in Amsterdam ("**Euronext in Amsterdam**"), the regulated market of Euronext Amsterdam N.V. ("**Euronext Amsterdam**") and the regulated market of the Luxembourg Stock Exchange (the "**Luxembourg Stock Exchange**") and/or any other stock exchange. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.

Amounts payable on Notes may be calculated by reference to LIBOR, EURIBOR or ICE Swap Rate as specified in the relevant Final Terms. As at the date of this Base Prospectus, the administrator of LIBOR and ICE Swap

Rate, ICE Benchmark Administration Limited ("**IBA**") is included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the "**Benchmark Regulation**"). The European Money Markets Institute ("**EMMI**"), the administrator of EURIBOR, does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmark Regulation. Under the Benchmark Regulation, the EMMI is currently required to obtain authorisation/registration, but as far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmark Regulation apply.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and the Notes are subject to U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States or to U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

An investment in the Notes involves certain risks. Prospective investors should have regard to the risk factors described under the section 'Risk Factors' in this Base Prospectus.

This Base Prospectus will be published in electronic form on the website of the Issuer at <https://www.vanlanschotkempen.com/dip>. This Base Prospectus is issued in replacement of the base prospectus of the Issuer dated 9 March 2018.

Arranger

Rabobank

Dealers

BNP PARIBAS

J.P. Morgan

Rabobank

Credit Suisse

Kempen & Co

Van Lanschot

ABN AMRO

ING

Landesbank Baden-Württemberg

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SUMMARY

Summaries are made up of disclosure requirements known as "**Elements**". These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for the Notes and the Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in a summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the Summary with the mention of "Not Applicable".

Section A – Introduction and Warnings		
A.1	Introduction and warnings:	<p>This summary should be read as an introduction to the Base Prospectus. Any decision to invest in the Notes by the investor should be based on consideration of the Base Prospectus as a whole including any documents incorporated into the Base Prospectus by reference. Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</p>
A.2	Consent to use of this Base Prospectus:	<p>Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a Public Offer.</p> <p>Issue specific summary: [Not Applicable. No Public Offer of the Notes will be made.] [Not Applicable. The Notes are issued in denominations of at least €100,000 (or its equivalent in any other currency).]</p> <p>[<i>Consent:</i> Subject to the conditions set out below, the Issuer consents to the use of the Base Prospectus in connection with a Public Offer of Notes in a Public Offer Jurisdiction by the Dealer[s][,][and] [<i>names of specific financial intermediaries listed in final terms</i>] [and] [each financial intermediary whose name is published on [the Issuer's website (https://www.vanlanschotkempen.com/dip)] [and/or] [the website of its subsidiary company Kempen & Co N.V. (https://www.kempenmarkets.nl)] and identified as an Authorised Offeror (as defined below) in respect of the relevant Public Offer] [and any financial intermediary which is authorised to make such offers under the applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2014/65/EU)] and publishes on its website the following statement (with the information in square brackets completed with the relevant information):</p> <p><i>"We [insert legal name of financial intermediary], refer to the [insert title of relevant Public Offer Notes] (the "Notes") described in the Final Terms dated [insert date] (the "Final Terms") published by Van Lanschot N.V. (the "Issuer"). We hereby accept the offer by the Issuer of its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [Belgium][,] [Luxembourg] [and][the Netherlands] (the "Public Offer") in accordance with and subject to the conditions to such consent, each as specified in the Base Prospectus, and we are using the Base Prospectus accordingly. "</i></p>

		<p>In connection with this Public Offer, the Issuer accepts responsibility for the content of the Base Prospectus in relation to any investor to whom an offer of any Notes in this Public Offer is made by any financial intermediary to whom the Issuer has given its consent to use the Base Prospectus (an "Authorised Offeror"), provided that such Public Offer has been made in accordance with all the conditions as described under '<i>Consent</i>' above and '<i>Conditions to consent</i>' below.</p> <p><i>Offer period:</i> The Issuer's consent referred to above is given for Public Offers of Notes during [<i>offer period for the issue to be specified here</i>] (the "Offer Period").</p> <p><i>Conditions to consent:</i> The conditions to the Issuer's consent [(in addition to the conditions referred to above)] are such that such consent is (a) only valid in respect of the relevant Tranche of Notes; (b) only valid during the Offer Period; [and] (c) only extends to the use of the Base Prospectus to make Public Offers of the relevant Tranche of Notes in [Belgium][,] [Luxembourg] [and] [the Netherlands] [and (d) [<i>specify any other conditions applicable to the Public Offer of the particular Tranche, as set out in the Final Terms</i>]].</p> <p>AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY PUBLIC OFFER NOTES IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR OTHER THAN THE ISSUER WILL DO SO, AND OFFERS AND SALES OF SUCH PUBLIC OFFER NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE PUBLIC OFFER NOTES CONCERNED AND, ACCORDINGLY, THE BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK AT THE RELEVANT AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION. NEITHER THE ISSUER NOR ANY DEALER (EXCEPT WHERE SUCH DEALER IS THE RELEVANT AUTHORISED OFFEROR) HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.</p>
Section B – The Issuer		
B.1	The legal and commercial name of the Issuer:	The legal name of the Issuer is Van Lanschot N.V. The Issuer trades under the name Van Lanschot.
B.2	The domicile and legal form of the Issuer, the legislation under which the Issuer operates and its country of incorporation:	The Issuer is a public company with limited liability (<i>naamloze vennootschap</i>) incorporated under Dutch law, having its statutory seat at 's-Hertogenbosch, the Netherlands. The Issuer is registered in the Chamber of Commerce under file number 16038212.
B.4b	A description of any known trends affecting the Issuer and the industries in	The results of the Issuer, also indirectly through its subsidiary Kempen & Co N.V. (" Kempen & Co ") (see Element B.5 below), are affected by general economic and other business conditions. These conditions include changing economic cycles that affect demand for investment, wealth management and banking products, fluctuations in interest rates, securities prices, credit spreads, liquidity spreads and

	which it operates:	<p>exchange rates, monetary policy, consumer and business spending, changes in client behaviour, business investment, real estate and private equity valuations, government spending, inflation, the volatility and strength of the capital markets and demographics. Such conditions are also influenced by global political events, such as terrorist acts, war and other hostilities as well as by market specific events, such as shifts in consumer confidence, industrial output, labour or social unrest and political uncertainty.</p> <p>The Issuer operates almost entirely in Europe, particularly in the Netherlands and, to a lesser extent, in Belgium and, in connection with its fiduciary management operations, increasingly in the United Kingdom and France, and its success is therefore closely tied to general economic conditions in these markets, which, in turn, are part of the European economy and the Eurozone.</p> <p>Upcoming and changing legislation within the financial markets in which the Issuer operates increases operating, implementation and governance costs to financial institutions such as the Issuer. The current low interest environment causes pressure on the Issuer's interest income. The Issuer operates in a competitive and rapidly changing investment market, which includes palpable pressure on management fees, ever more stringent transparency requirements being imposed and a consolidating pensions market together with the consolidation of asset managers operating in the Netherlands.</p>																																													
B.5	Description of the Issuer's group and the Issuer's position within the group:	<p>The issued share capital of the Issuer consists of 400,000 shares of €100 each. All shares are nominative shares. Share certificates have not been issued. All 400,000 issued shares of the Issuer are held by Van Lanschot Kempen N.V. ("Van Lanschot Kempen") and have been fully paid up. Van Lanschot Kempen's only asset is 100 per cent. of the shares of the Issuer. There are no other activities within Van Lanschot Kempen other than the 100 per cent. holding. There is no intention to change this situation. In addition, Van Lanschot Kempen does not sell products and/or provide services of any kind. Van Lanschot Kempen only operates under Dutch law.</p> <p>The Issuer's subsidiary Kempen & Co, which has been a subsidiary of the Issuer since 2007, is active in the areas of asset management and merchant banking. Kempen & Co offers specialist financial services to institutional clients, corporates, financial institutions, semi-public and public entities, foundations and associations.</p>																																													
B.9	Profit forecast or estimate:	Not applicable. The Issuer has not made any public profit forecasts or profit estimates.																																													
B.10	Qualifications in the Auditors' report:	Not applicable. The independent auditor's reports with respect to the Issuer's audited financial statements as of and for the financial year ended 31 December 2017 and 31 December 2016, respectively, incorporated by reference in this Base Prospectus are unqualified.																																													
B.12	Selected Financial Information Material/Significant Change:	<p>Selected Financial Information</p> <p>(x € million)</p> <table border="1"> <thead> <tr> <th></th> <th>30-06-2018</th> <th>31-12-2017</th> <th>30-06-2017</th> <th>31-12-2016</th> </tr> </thead> <tbody> <tr> <td colspan="5">Statement of income</td> </tr> <tr> <td>Total income from operating activities</td> <td>261.7</td> <td>567.3</td> <td>276.3</td> <td>524.4</td> </tr> <tr> <td>Operating expenses</td> <td>227.3</td> <td>457.5</td> <td>210.9</td> <td>440.7</td> </tr> <tr> <td>Impairments</td> <td>-4.6</td> <td>-10.7</td> <td>-1.5</td> <td>-2.1</td> </tr> <tr> <td>Operating profit before tax</td> <td>39.0</td> <td>120.5</td> <td>67.0</td> <td>85.8</td> </tr> <tr> <td>Net profit from continuing operations</td> <td>32.6</td> <td>94.9</td> <td>56.2</td> <td>69.8</td> </tr> <tr> <td>Efficiency ratio (%)¹</td> <td>81.1</td> <td>76.2</td> <td>71.1</td> <td>79.6</td> </tr> <tr> <td>Weighted average number of outstanding</td> <td>400,000</td> <td>400,000</td> <td>400,000</td> <td>400,000</td> </tr> </tbody> </table>		30-06-2018	31-12-2017	30-06-2017	31-12-2016	Statement of income					Total income from operating activities	261.7	567.3	276.3	524.4	Operating expenses	227.3	457.5	210.9	440.7	Impairments	-4.6	-10.7	-1.5	-2.1	Operating profit before tax	39.0	120.5	67.0	85.8	Net profit from continuing operations	32.6	94.9	56.2	69.8	Efficiency ratio (%) ¹	81.1	76.2	71.1	79.6	Weighted average number of outstanding	400,000	400,000	400,000	400,000
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ordinary shares				
Earnings per share based on average number of ordinary shares (€)	91.13	223.77	148.81	164.34
Number of staff (FTEs) ²	1,640	1,658	1,647	1,670
<i>(x € million)</i>				
	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Balance sheet				
Equity attributable to shareholder	1,284	1,333	1,350	1,340
Equity attributable to non-controlling interests	11	16	15	13
Public and private sector liabilities	9,281	9,145	9,387	9,680
Loans and advances to the public and private sectors	8,958	9,103	9,470	9,624
Total assets	14,512	14,659	14,952	14,877
Funding ratio (%) ³	103.6	100.5	99.1	100.6
<i>(x € billion)</i>				
	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Client assets				
Client assets	83.7	83.6	72.0	69.4
- Assets under management	69.1	69.2	57.1	54.6
- Assets under monitoring and guidance	3.4	3.5	3.0	3.0
- Assets under administration	1.9	1.8	2.5	2.1
- Savings & deposits	9.3	9.1	9.4	9.7
<i>(x € million)</i>				
	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Key figures of Van Lanschot N.V.				
Risk-weighted assets ⁴	4,798	4,979	5,359	5,623
Common Equity Tier I-ratio ⁴	21.4	20.5	19.6	19.0
Tier I ratio (%) ⁴	21.4	20.5	19.7	19.0
Total capital ratio (%) ⁴	24.7	23.6	20.6	20.9
Return on average Common Equity Tier I capital (%) ⁵	8.7	10.4	12.5	7.3
1)	Efficiency ratio is defined as operating expenses as a percentage of income from operating activities, excluding one-off gains and losses.			
2)	Excluding non-strategic investments.			
3)	Funding ratio is defined as the Issuer's public and private sector liabilities as a percentage of its loans and advances to the public and private sectors (i.e. excluding the Issuer's liabilities due to banks and its assets to banks).			
4)	Full-year 2016 and full-year 2017 based on phase-in and including retained earnings. At 30 June 2017 and 2018 based on phase-in and excluding retained earnings.			
5)	Based on underlying net result (annualised).			
<i>The 2016 figures and 2017 figures have been derived from the Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017. The semi-annual 2017 figures and the semi-annual 2018 figures have been derived from the Issuer's unaudited (and unreviewed) consolidated interim (semi-annual) financial statements as of and for the period ended 30 June 2018.</i>				

		<p>The financial statements have been prepared under the International Financial Reporting Standard, as adopted by the European Union ("IFRS") and the interim financial statements have been prepared in accordance with the International Accounting Standard 34 – "Interim Financial Reporting", as adopted by the European Union ("IAS 34"). The consolidated statement of financial position reflects new presentation requirements related to the application of IFRS 9 from 1 January 2018.</p> <p>Significant or Material Adverse Change</p> <p>At the date hereof, there has been no significant change in the financial position of the Issuer and its consolidated subsidiaries since 30 June 2018.</p> <p>At the date hereof, there has been no material adverse change in the prospects of the Issuer since 31 December 2017.</p>
B.13	Recent material events particular to the Issuer's solvency:	Not applicable. There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of its solvency.
B.14	Extent to which the Issuer is dependent upon other entities within the group:	The Issuer is in part dependent on the income from its subsidiary Kempen & Co. The Issuer's subsidiary, F. van Lanschot Bankiers (Schweiz) AG, has two branches in Switzerland to serve its international private banking clients.
B.15	Principal activities of the Issuer:	<p>The Issuer is a specialist, independent wealth manager dedicated to the preservation and creation of wealth for its private and institutional clients. The Issuer's primary operating segments consist of Van Lanschot Private Banking, Evi van Lanschot, Kempen Asset Management and Kempen Merchant Banking. The Issuer's wealth management strategy is strongly focused on its primary operating segments and its product offering in selected niches and achieving a capital light business model. Implementation of the Issuer's strategic focus has allowed the Issuer to concentrate on helping private and institutional clients to preserve and create wealth.</p> <p><i>Van Lanschot Private Banking</i></p> <p>Within Van Lanschot Private Banking, the Issuer focuses on entrepreneurs, family businesses and (ultra) high net-worth individuals, while also offering specialised services for business professionals and executives, healthcare professionals, and foundations and charities. With a network of 37 offices and client reception venues in the Netherlands, Belgium and Switzerland, the Issuer differentiates itself, either direct or through its subsidiaries, by building a clearly defined local presence. The Issuer's foreign and international private banking activities are performed through its Belgian branch and its Swiss subsidiary F. van Lanschot Bankiers (Schweiz) AG.</p> <p><i>Evi van Lanschot</i></p> <p>In 2013, the Issuer launched Evi van Lanschot, its online platform, initially as part of its Van Lanschot Private Banking segment. Evi van Lanschot was introduced as an online investment and savings coach, attracting new clients and assets. Evi van Lanschot plays into the trend of increased individual responsibility for pensions, healthcare and other needs at all levels of society. Evi van Lanschot uses the investment expertise from the Van Lanschot Private Banking segment to provide the younger generation and mass affluent clients a trusted space to build and preserve wealth through a digital offering of investments, savings and pensions products. In February 2016, the Evi van Lanschot online platform was introduced in Belgium, supporting the Evi van Lanschot savings platform which has been active in Belgium since 2013. Since spring 2016 Evi van Lanschot is positioned as a separate operating segment of the Issuer.</p>

		<p><i>Kempen Asset Management</i> Kempen Capital Management ("KCM") is the Issuer's specialist European investment management boutique with a sharp focus and a clear investment philosophy. KCM focuses on a limited number of high quality investment strategies: small caps, property, high-dividend equities, fixed-income securities and funds of hedge funds. In addition, KCM offers clients a fiduciary service that provides them with fully comprehensive asset management solutions. It targets open architecture-based banks and asset managers, pension funds, insurance companies and foundations and associations. KCM has offices in Amsterdam, London and Paris. KCM announced on 4 December 2018 that is closing its Edinburgh office and centralising the management of its small-cap investment strategies in Amsterdam.</p> <p><i>Kempen Merchant Banking</i> The Issuer's merchant banking segment (operated through Kempen Corporate Finance and Kempen Securities) offers specialist services including equities research and trading, mergers and acquisitions, capital market transactions as well as debt advisory services to institutional clients, corporates, financial institutions and semi-public and public entities. The merchant banking segment has adopted a niche strategy, focusing on the European real estate, European life sciences and healthcare, financial institutions & fintech and the Benelux market. Kempen Merchant Banking has offices in Amsterdam, Antwerp, London and New York.</p> <p><i>Other Activities</i> This segment comprises the activities in the field of interest rate, market and liquidity risk management, the equity investments of Van Lanschot Participaties (which was partly divested in December 2017), Van Lanschot Chabot (an independent insurance adviser and intermediary), the Issuer's non-strategic investments and one-off charges under the investment and cost reduction programme in 2013 and 2014.</p> <p><i>Corporate Banking</i> Within Corporate Banking a team of specialists is engaged in gradually winding down the real estate financing and SME loan portfolios not specifically linked to Private Banking clients. The wind down is implemented gradually by informing clients about the Issuer's intention to cease these activities, and directing them to other sources of financing.</p>
B.16	Extent to which the Issuer is directly or indirectly owned or controlled:	<p>All outstanding shares in the capital of the Issuer are held by the holding company Van Lanschot Kempen and accordingly, Van Lanschot Kempen has complete control over the Issuer.</p> <p>The authorised share capital of Van Lanschot Kempen consists of 150,000,000 shares of €1 nominal value each, and is divided equally into ordinary shares A ("Class A Shares") and preference shares C ("Class C Shares"). Class C Shares have not been issued. The outstanding ordinary share capital of Van Lanschot Kempen on the date hereof amounts to EUR 41,361,668. More than 99.99 per cent. of the Class A Shares are held by Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen, which has issued depositary receipts for these shares. These depositary receipts for Van Lanschot Kempen shares are listed and traded on Euronext in Amsterdam.</p>
B.17	Credit ratings assigned to the Issuer or its debt securities:	<p>Tranches of Notes may be rated or unrated. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. The Issuer has been rated "BBB+" (stable outlook) by S&P and "BBB+" (stable outlook) by Fitch.</p> <p><i>Issue specific summary:</i> [Not Applicable. The Notes to be issued have not been rated.][The Notes to be issued [have been]/[are expected to be] specifically rated [<i>specify rating(s) of Tranche being issued</i>] by [<i>specify rating agency</i>].]</p>

Section C – Securities		
C.1	Type and class of the Notes and Security Identification Number(s):	<p>The Notes described in this Section C are debt securities with a denomination of less than €100,000 (or its equivalent in any other currency).</p> <p>Issue specific summary:</p> <p><i>Interest Basis</i> The Notes are [Fixed Rate[s]][Fixed Rate Reset][Floating Rate[s]][Inverse Floating Rate][Zero Coupon] Notes.</p> <p><i>Redemption/Payment Basis</i> [Instalment Note] [Partly Paid Note]</p> <p><i>Security Identification Number(s)</i> [ISIN: []]/[Common code: []]/[Other relevant code: []].</p> <p><i>Fungibility</i> [The Notes shall be consolidated and form a single series with the [insert description of the Series] on [insert date/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note[, which is expected to occur on or about [insert date]]]]</p>
C.2	Currencies:	<p>Notes may be denominated in any currency as agreed between the Issuer and the (relevant) Dealer(s), in each case subject to compliance with all applicable legal or regulatory requirements.</p> <p>Issue specific summary: The Specified Currency of the Notes is [].</p>
C.5	A description of any restrictions on the free transferability of the Notes:	<p>The Notes are freely transferrable. Selling and offer restrictions do not render the Notes legally incapable of being transferred.</p>
C.8	Description of the rights attached to the Notes:	<p><i>Ranking (status)</i> The Senior Notes will constitute unsecured and unsubordinated obligations of the Issuer and will rank <i>pari passu</i> without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law.</p> <p>Issue specific summary: The Notes are Senior Notes.</p> <p><i>Taxation</i> All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer will be made free and clear of, and without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Netherlands or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer will, depending on which provision is specified in the applicable Final Terms, either 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, subject to certain exceptions, 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,</p>

		<p>Receipts or Coupons, as the case may be, in the absence of such withholding or deduction.</p> <p><i>Events of Default</i> The terms and conditions of the Senior Notes contain each of the events of default:</p> <ul style="list-style-type: none"> (i) if default is made for more than 14 days in the payment of interest or principal in respect of the Notes; or (ii) if the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for the period of 30 days next following the service on the Issuer of notice requiring the same to be remedied; or (iii) an order is made or an effective resolution is passed for the winding up or liquidation of the Issuer unless this is done in connection with a merger, consolidation or other form of combination with another company and such company assumes all obligations contracted by the Issuer in connection with the Notes; or (iv) the Issuer is declared bankrupt or a declaration is made in respect of the Issuer under Article 3:163(1)(b) of the Dutch Financial Supervision Act (<i>Wet op het financieel toezicht</i>, "Wft") in respect of the Issuer; or (v) emergency measures in respect of the Issuer as referred to under Article 3:160 of the Wft are declared. <p><i>Meetings</i> Meetings of Noteholders may be convened to consider any matter affecting their interests including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or certain provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders of each Series holding not less than five per cent. in nominal amount of the Notes. There are quorum requirements for passing an Extraordinary Resolution. An Extraordinary Resolution passed at any meeting of the Noteholders of each Series shall be binding on all the Noteholders of such class of Notes, whether or not they are present at the meeting, and on all Receiptholders and Couponholders. The Issuer may not vote on any Notes held by it, whether directly or indirectly, and such Notes shall not be taken into account in establishing the total amount outstanding. The Agency Agreement also provides that (i) a resolution in writing signed by or on behalf of the holders of not less than two-thirds in nominal amount of such Notes for the time being outstanding or (ii) consents given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than two-thirds in nominal amount of such Notes for the time being outstanding, shall, in either case, for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held.</p> <p><i>Issuer Substitution</i> If so specified in the applicable Final Terms, the Issuer may, if certain conditions have been fulfilled, with the consent of the Noteholders or Couponholders which will be deemed to have been given in respect of each issue of Notes on which no payment of principal of or interest on any of the Notes is in default, be replaced and substituted by any directly or indirectly wholly owned subsidiary of the Issuer or Van Lanschot Kempen N.V. (or any successor parent company of the Issuer) as principal debtor in respect of the Notes and the relative Receipts and Coupons.</p> <p><i>Governing Law</i> The laws of the Netherlands.</p>
C.9	Interest, maturity and	<p><i>Interest</i> Notes may or may not bear interest. Interest bearing Notes will be Fixed Rate</p>

	<p>redemption provisions, yield and representative of the Noteholders:</p>	<p>Notes (which may be subject to reset (<i>Fixed Rate Reset Notes</i>)) or Floating Rate Notes. In each case, interest will be payable on the date or dates specified in the applicable Final Terms and on redemption, and will be calculated on the basis as may be agreed between the Issuer and the relevant Dealer (as specified in the applicable Final Terms).</p> <p><i>Maturities</i> 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, specified in the applicable Final Terms.</p> <p>Unless previously redeemed or purchased and cancelled earlier, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.</p> <p><i>Early Redemption</i> The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified instalments (see below)), if applicable, or can be redeemed for taxation reasons, for illegality reasons or following an Event of Default or that such Notes will be redeemable at the option of the Issuer and/or the holders of such Notes on a date or dates specified prior to such stated maturity and at a price or prices as are specified in the applicable Final Terms or if no such date is stated in the Final Terms at the market value (if specified <i>adjusted for Early Redemption Unwind Costs</i>) or nominal amount of such Notes, depending on the reasons for redemption. The applicable Final Terms may provide that Notes may be repayable in two or more instalments of such amounts and on such dates as specified in the Final Terms. The Notes are unsecured obligations of the Issuer and will be redeemed in full by the Issuer.</p> <p>In addition, the Issuer may at any time, on giving not less than fifteen (15) nor more than thirty (30) days' notice to the holders of Senior Notes, redeem all but not some only of the Senior Notes for the time being outstanding at their Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption if, prior to the date of such notice, 90 per cent. or more in nominal amount of the Senior Notes of such Series have been redeemed or purchased and cancelled.</p> <p><i>Representative of Noteholders</i> Not applicable.</p> <p><i>Partly Paid Notes</i> 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 in the Note under which such investor so failed to pay.</p> <p><i>Inverse Floating Rate Notes</i> 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.</p> <p><i>Issue specific summary:</i> <i>Interest</i> [Fixed Rate Notes:][The Notes are Fixed Rate Notes. The Notes bear interest from</p>
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C.10	Derivative component in interest payments:	Not applicable.

C.11	Listing and admission to trading:	<p>The Notes may be admitted to listing on (i) Euronext in Amsterdam, (ii) the Luxembourg Stock Exchange and (iii) any other exchange or (iv) may be issued on an unlisted basis.</p> <p><i>Issue specific summary:</i> [Application has been made]/[Application is expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to trading on [] with effect from []/[Not applicable. The Notes are not intended to be admitted to trading on a stock exchange.]</p>
C.21	Indication of the market where the securities will be traded and for which prospectus has been published:	<p>See the above element, C.11. At the date of this Base Prospectus the Issuer has published the Base Prospectus with a view to offering Notes in Belgium, Luxembourg and the Netherlands.</p>
Section D – Risks		
D.2	Key information on the key risks that are specific to the Issuer:	<p>By investing in Notes, investors assume the risk that the Issuer may become insolvent or otherwise unable to make all payments due under the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due under the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur. The inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for various reasons. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its ability to make all payments due under the Notes. The Issuer has identified a number of factors which could materially adversely affect its business and ability to make all payments due under the Notes.</p> <p>These factors include:</p> <ul style="list-style-type: none"> • volatility and strength of the economic, business and capital markets environments specific to the geographical regions in which the Issuer conducts business; • adverse capital and credit market conditions; • the low interest rate environment; • default of a major market participant, which could disrupt the markets; • factors that may affect the Issuer’s ability to fulfil its obligations under the Notes such as liquidity risk, market risk, operational risk, ICT risk, integrity risk, risk of fraud, outsourcing risk, reputational risk and credit risk; • operational risks relating to personnel, internal control processes, human errors, regulatory breaches; • risks relating to cyber crime; • unpredictable catastrophic events; • economic conditions and other business conditions in certain markets and the Eurozone in general; • fluctuations in the financial markets; • client concentration or inability to sufficiently diversify its client base; • less diversified activities than some other Dutch banks; • ability to achieve strategic goals or targets; • substantial competitive pressures; • changes in the financial services laws and/or regulations governing the Issuer's business, including changes in tax law; • minimum regulatory capital and liquidity requirements; • failure of IT and other systems; • reputation damage;

		<ul style="list-style-type: none"> • possible impairment of goodwill and intangible assets; • litigation, other proceedings or actions; • intervention and resolution powers under the Wft, the BRRD and the SRM Regulation; • minimum requirement for own funds and eligible liabilities under the SRM Regulation and the BRRD; • Financial Stability Board requirements for TLAC; • risks associated with deposit guarantee schemes and similar funds; • inability by the Issuer to manage its risks successfully through derivatives; • inability to retain key personnel; • inadequate risk management policies and guidelines; • mis-selling claims made by clients; • inability of counterparties to meet their financial obligations; • ratings downgrades; • sustained increase in inflation; • adverse publicity, regulatory actions or litigation with respect to the financial services industry in general; and • changes in financial reporting standards or policies.
D.3	Key information on the key risks that are specific to the Notes:	<p>There are also risks associated with the Notes. These include:</p> <p><i>Risks related to the market generally</i></p> <ul style="list-style-type: none"> • limited liquidity in the secondary market; • exchange rate risks and exchange controls; • interest rate risks; and • credit rating risks. <p><i>Risk related to the structure of a particular issue of Notes</i></p> <ul style="list-style-type: none"> • an optional redemption feature of Notes is likely to limit their market value; • uncertainty in respect of LIBOR and/or EURIBOR or other interest rate benchmarks; • risks related to Subordinated Notes; • redemption risk in respect of Subordinated Notes; • substitution or variation risk in respect of Subordinated Notes; • no limitation to issue senior or <i>pari passu</i> ranking Notes; • risks related to the conversion of a fixed to a floating rate of interest; • risks related to Fixed Rate Reset Notes, Partly Paid Notes and Inverse Floating Rate Notes and Notes issued at a substantial discount or premium; and • potential conflicts of interest between the Calculation Agent and the Noteholders. <p><i>Risks related to Notes generally</i></p> <ul style="list-style-type: none"> • the Notes may not be a suitable investment for all investors; • modification, adjustments, waivers and substitution; • tax consequences; • risks related to Notes held in global form; • risks related to Notes held in new global note form; • change of law; • tax initiatives of newly elected Dutch government; • risks related to the Netherlands as jurisdiction; and • application of FATCA to an investment in the Notes.
Section E – Offer		
E.2b	Reasons for the offer and use of proceeds:	<p>The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes.</p> <p><i>Issue specific summary:</i> <i>[include particular identified use of proceed (if any)]</i></p>

E.3	Terms and Conditions of the Offer:	<p>The terms and conditions of each offer of Notes, if applicable, will be determined by agreement between the Issuer and the (relevant) Dealer(s) at the time of issue and specified in the applicable Final Terms.</p> <p>Issue specific summary: [Not Applicable. The Notes are not being offered to the public as part of a Public Offer.]</p> <p>[Conditions to which the offer is subject: [Offers of the Notes are conditional on their issue. As between the Authorised Offerors and their customers, offers of the Notes are further subject to conditions as may be agreed between them and/or as specified in the arrangements in place between them.]</p> <p>Total amount of the offer; if the amount is not fixed, description of the arrangements and time for announcing the definitive amount to the public: []</p> <p>Description of the application process, including offer period, including any possible amendments, during which the offer will be open: [A prospective Noteholder should contact the applicable Authorised Offeror in the applicable Public Offer Jurisdiction prior to the end of the Offer Period. A prospective Noteholder will subscribe for the Notes in accordance with the arrangements existing between such Authorised Offeror and its customers relating to the subscription of securities generally. Noteholders will not be required to enter into any contractual arrangements directly with the Issuer in connection with the subscription of the Notes.][]</p> <p>Description of possibility to reduce subscriptions: [Not Applicable/<i>give details</i>]</p> <p>Description of manner for refunding excess amount paid by applicants: [Not Applicable/<i>give details</i>]</p> <p>Details of the minimum and/or maximum amount of application: [There are no pre-identified allotment criteria. The Authorised Offeror will adopt allotment criteria in accordance with customary market practices and applicable laws and regulations.] [<i>give details</i>]</p> <p>Details of the method and time limits for paying up and delivering the Notes: [Investors will be notified by the relevant Authorised Offeror of their allocations of Notes and the settlement arrangements in respect thereof.] [<i>give details</i>]</p> <p>Manner in and date on which results of the offer are to be made public: [Investors will be notified by the applicable Authorised Offeror of their allocations of Notes and the settlement procedures in respect thereof on or around [date].] [<i>give details</i>]</p> <p>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable/<i>give details</i>]</p> <p>Categories of potential investors to which the Notes are offered and whether Tranche(s) have been reserved for certain countries: [Offers may be made by the Authorised Offerors in each of the Public Offer Jurisdictions to any person during the Offer Period. In other EEA countries and in all jurisdictions (including the Public Offer Jurisdictions) outside of the Offer Period, offers will only be made by the [Dealers] pursuant to an exemption under the Prospectus Directive, as implemented in such countries. All offers of the Notes will be made in compliance with all applicable laws and regulations.] [<i>give details</i>]</p> <p>Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [Prospective Noteholders will be notified by the relevant Authorised Offeror in accordance with the</p>
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		<p>arrangements in place between such Authorised Offeror and the prospective Noteholders.] [No dealing in the Notes may begin before such notification is made]</p> <p>Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: The Initial Authorised Offerors identified in item [44] of Part A of the Final Terms [and any additional Authorised Offerors who have or obtain the Issuer's consent to use the Prospectus in connection with the Public Offer and who are identified on [the Issuer's website as an Authorised Offeror]] [and/or] [the website of its subsidiary company Kempen & Co N.V. (https://www.kempenmarkets.nl))] (together, the "Authorised Offerors").</p> <p>Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not applicable/give details]]</p>
E.4	Interests of natural and legal persons involved in the issue of the Notes:	<p>The (relevant) Dealer(s) may be paid fees (if applicable) in relation to any issue of Notes. Any such Dealer and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. In addition, in a dealer agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the maintenance of the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.</p> <p>A description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest will, if required under the Prospectus Directive, be specified in the applicable Final Terms. This description may be satisfied by disclosure that, except for the commissions payable to the Dealers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.</p> <p>Issue specific summary: [Except for the commissions payable to the Dealers, with respect to investment banking, commercial banking transactions and other services, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]/ [give details]</p>
E.7	Estimated expenses charged by the Issuer or any Authorised Offeror:	<p>There are no expenses charged to the investor by the Issuer or any Authorised Offeror; however, such expenses may be charged to investors in connection with a specific issue of Notes. If so, details will be specified in the applicable Final Terms.</p> <p>Issue specific summary: [There are no expenses charged to the investor by the Issuer or any Authorised Offeror]/[The following expenses are to be charged to the investor by the Issuer or any Authorised Offeror: []].</p>

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The Issuer believes that there are also factors which are material for the purpose of assessing the market risk associated with the Notes. The Issuer believes that all the factors described below represent the material risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons not known to the Issuer or not deemed to be material enough. The Issuer represents that the statements below regarding the risks of investing in any Notes are not exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision. Any reference to the "Issuer" below should, where the context so requires, be read as a reference to the group that the Issuer forms part of, unless the context requires otherwise.

Before making an investment decision with respect to any Notes, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the Notes and consider such an investment decision in the light of the prospective investor's personal circumstances.

RISK FACTORS REGARDING THE ISSUER

The Issuer's results are affected by the volatility and strength of the economic, business and capital markets environments specific to the geographic regions in which it conducts business, which in turn have affected or may (adversely) affect, the profitability and solvency of the Issuer

The Issuer's results are affected by general economic and other business conditions. These conditions include changing economic and other business conditions. These conditions include changing economic cycles that affect demand for investment, wealth management and banking products, fluctuations in interest rates, securities prices, credit spreads, liquidity spreads and exchange rates, monetary policy, consumer and business spending, changes in client behaviour, business investment, real estate and private equity valuations, government spending, inflation, the volatility and strength of the capital markets and demographics. Such conditions are also influenced by global political events, such as terrorist acts, war and other hostilities as well as by market specific events, such as shifts in consumer confidence, industrial output, labour or social unrest and political uncertainty.

These conditions all impact the business of the Issuer and, ultimately, its solvency, liquidity and the amount and profitability of the business the Issuer conducts in a specific geographic region. In an economic downturn characterised by higher unemployment, lower family income, lower corporate earnings, higher corporate and private debt defaults, lower business investments and lower consumer spending, the demand for banking products is usually adversely affected and the Issuer's reserves and provisions typically would increase, resulting in overall lower earnings. Securities prices, real estate values and private equity valuations may also be adversely impacted and any such losses would be realised through the profit and loss account and reduce shareholders' equity. The Issuer also offers a number of financial products that expose it to risks associated with fluctuations in interest rates, securities prices, corporate and private default rates, the value of real estate assets, exchange rates and credit spreads.

In case one or more of the factors mentioned above adversely affects the profitability of the Issuer's business this might also result, among other things, in the following:

- reserve inadequacies which could ultimately be realised through the profit and loss account;
- the write down of tax assets impacting net results;
- impairment expenses related to goodwill and other intangible assets, impacting net results; and/or
- movements in risk weighted assets for the determination of regulatory required capital,

and one or more of these events may reduce shareholders' equity and adversely affect the Issuer's financial condition.

Shareholders' equity, solvency and the Issuer's net result may be significantly impacted by turbulence and volatility in the worldwide financial markets and economy generally. Negative developments in financial markets and/or economies may have a material adverse impact on shareholders' equity, solvency and net result in future periods, including as a result of the potential consequences listed above.

Adverse capital and credit market conditions may impact the Issuer's ability to access liquidity and capital, as well as the cost of credit and capital

The capital and credit markets have from time to time been experiencing volatility and disruption. Adverse capital market conditions may affect the availability and cost of borrowed funds, thereby impacting the Issuer's ability to support or grow its businesses.

The Issuer needs liquidity in its day-to-day business activities to pay its operating expenses, interest on its debt and dividends on its capital stock and to maintain its repo activities; and replace certain maturing liabilities. Without sufficient liquidity, the Issuer may be forced to curtail its operations and its business may suffer. The principal sources of its funding are client deposits, including from retail clients, and medium- and long-term debt securities, in a secured (i.e. residential mortgage backed securities and covered bonds) and unsecured format. Other sources of funding may also include a variety of short- and long-term instruments, including repurchase agreements, medium- and long-term debt, subordinated debt securities, securitised debt, capital securities and shareholders' equity.

In the event that current resources do not satisfy its needs or need to be refinanced, the Issuer may need to seek additional and/or other financing. The availability of additional financing will depend on a variety of factors such as market conditions, the general availability of credit, the volume of trading activities, the volume of maturing debt that needs to be refinanced, the overall availability of credit to the financial services industry, the Issuer's credit ratings and credit capacity, as well as the possibility that clients or lenders could develop a negative perception of its long- or short-term financial prospects. Similarly, the Issuer's access to funds may be limited if regulatory authorities take negative actions against it. If the Issuer's internal sources of liquidity prove to be insufficient, there is a risk that external funding sources might not be available or available at unfavourable terms only.

Disruptions, uncertainty or volatility in the capital and credit markets, such as that experienced in the recent past may also limit the Issuer's access to capital required to operate its business. Such market conditions may in the future limit the Issuer's ability to raise additional capital to support business growth, or to counter-balance the consequences of losses or increased regulatory capital requirements. This could force the Issuer to (1) delay raising capital, (2) reduce, cancel or postpone interest payments on its capital securities (if outstanding at such time), (3) issue capital of different types or under different terms than the Issuer would otherwise offer, or (4) incur a higher cost of capital than in a more stable market environment. This would have the potential to decrease both the Issuer's profitability and its financial flexibility. The Issuer's results of operations, financial condition, cash flows and regulatory capital position could be materially adversely affected by disruptions in the financial markets.

The low interest rate environment has affected and may continue to materially and adversely affect the Issuer's business, financial condition, results of operations and cash flows.

The level of interest rates, which are dependent to a large extent on general economic conditions, affects the Issuer's results, particularly in its Private Banking segment, the remainder of its Corporate Banking segment and its investment and trading portfolio. In particular, fluctuations in interest rates have a direct effect on net interest income, which constitutes a significant element of the Issuer's revenue.

Since 2012, in response to concerns about Europe's sovereign debt crisis and slowing global economic growth, central banks around the world, including the European Central Bank (the "ECB"), the Bank of England, the Bank of Japan, the Bank of Australia, the Central Bank of Brazil, the Central Bank of China, and the US Federal Reserve have lowered interest rates to historically low levels. The result has been a low interest rate environment in the Netherlands, in Europe and globally which has maintained prevailing interest rates at or near zero for a substantial period of time. The ECB and certain other monetary authorities have instituted negative interest rates on reserves maintained by commercial banks with central banks. As a result, the Issuer and other financial institutions are subject to liquidity costs for these reserves, which are not likely to be fully passed on to customers in the form of zero or negative interest rates on customer savings and deposits. At the same time, the relatively flat yield curve and the excess liquidity available in the market to lenders has generated an interest rate environment characterised by very low investment yields on fixed-income securities, and very low levels of yields on duration risk taken on by lenders, for example on long-term fixed rate mortgage products which are now in significant demand from borrowers in the Netherlands and elsewhere. In addition, the low yield environment has resulted in an increase in the redemption of existing mortgages, and a period of "rate averaging" as well as an increased in competition in the market for Dutch mortgages from new entrants, which

could result in lower margins on new mortgages and could adversely affect the Issuer's net result, see "*The Issuer's performance is subject to substantial competitive pressures that could adversely affect its results of operations*". These factors have adversely affected, and are likely to continue to have an adverse effect on, the Issuer's net interest income.

The current environment of particularly low interest rates has resulted in interest-earning assets (in particular residential mortgage loans) generating lower yields upon origination or refinancing, and other loans and securities held in the investment portfolio also generating lower levels of interest income when compared to historical levels. In a period of changing interest rates, the Issuer's level of interest expense may increase more rapidly than the interest it earns on its mortgage loans and other assets. Unfavourable market movements in interest rates (for example a prolonged period of flatter than usual interest rate curves, a stronger than expected rise in interest rates, in certain circumstances negative interest rates, or an inverse yield curve) could materially and adversely affect earnings and current and future cash flows. Changes in interest rates may also negatively affect the value of the Issuer's assets and its ability to realise gains or avoid losses from the sale of those assets, all of which also ultimately affect net result.

The default of a major market participant could disrupt the markets

Within the financial services industry the severe distress or default of any one institution (including sovereigns and central counterparties (CCP's)) could lead to defaults or severe distress by other institutions. Such distress or defaults could disrupt securities markets or clearing and settlement systems in the Issuer's markets. This could cause market declines or volatility. Such a failure could lead to a chain of defaults that could adversely affect the Issuer and its contract counterparties. Concerns about the creditworthiness of a sovereign or financial institution (or a default by any such entity) could lead to significant liquidity and/or solvency problems, losses or defaults by other institutions, because the commercial and financial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. Even the perceived lack of creditworthiness of, or questions about, a sovereign or a counterparty may lead to market-wide liquidity problems and losses or defaults by the Issuer or by other institutions. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom the Issuer interacts on a daily basis and financial instruments of sovereigns in which the Issuer invests. In Europe, systemic risk may materialise due to negative results of exercises similar to the asset quality review by the ECB and their adverse impact on banks' access to funding in wholesale markets. In the Netherlands in particular, systemic risk may materialise due to the high loan-to-deposit ratio of the Dutch banking sector compared with other European banking sectors which is in part caused by households' propensity to save using life insurance and pension products. The high loan-to-deposit ratio exposes the sector to refinancing risk in case of worsening conditions in wholesale funding markets. The large sovereign debts and/or fiscal deficits of a number of European countries and the United States have raised concerns regarding the financial condition of financial institutions. Systemic risk could have a material adverse effect on the Issuer's ability to raise new funding and on its business, financial condition, results of operations, liquidity and/or prospects. In addition, such a failure could impact future product sales as a potential result of reduced confidence in the financial services industry.

Factors that may affect the Issuer's ability to fulfil its obligations under the Notes

Banks such as the Issuer may be subject to liquidity risk, market risk, operational risk, ICT risk, integrity risk, risk of fraud, outsourcing risk, reputational risk, and credit risk. The Issuer pursues a prudent risk policy, and risk management and control are important elements of its business operations. Therefore, the risks specific to the situation of the Issuer that are material for taking investment decisions and that may affect the Issuer's ability to fulfil its obligations under the Notes, are limited.

Operational risks are inherent in the Issuer's business

The Issuer's businesses depend on the ability to process a large number of transactions efficiently and accurately. Losses can result from inadequately trained or skilled personnel, IT failures, inadequate or failed internal control processes and systems, regulatory breaches, human errors, employee misconduct including fraud, or from external events that interrupt normal business operations. The Issuer depends on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. The equipment and software used in the Issuer's computer systems and networks may be at or near the end of their useful lives or may not be capable of processing, storing or transmitting information as expected. Certain of the Issuer's computer systems and networks may also have insufficient recovery capabilities in the event of a malfunction or loss of data. In addition, such systems and networks may be vulnerable to unauthorised access, computer viruses

or other malicious code and other external attacks or internal breaches that could have a security impact and jeopardise the Issuer's confidential information or that of its clients or its counterparts as further described below in the risk factor below under '*The Issuer's business is subject to risks related to cyber crime*'. These events can potentially result in financial loss, harm to the Issuer's reputation, hinder its operational effectiveness and adversely affect its financial condition. The Issuer also faces the risk that the design and operating effectiveness of its controls and procedures to prevent such events prove to be inadequate or are circumvented. Furthermore, widespread outbreaks of communicable diseases may impact the health of the Issuer's employees, increasing absenteeism, or may cause a significant increase in the utilisation of health benefits offered to its employees, either or both of which could adversely impact its business.

The Issuer has suffered losses from operational risk in the past and there can be no assurance that it will not suffer material losses from operational risk in the future.

The Issuer's business is subject to risks related to cyber crime

The Issuer relies on the effectiveness of its cyber security policy and associated procedures, infrastructure and capabilities to protect the confidentiality, integrity and availability of information held on its computer systems, networks and mobile devices and on the computer systems, networks and mobile devices of third parties on whom the Issuer relies. The Issuer also takes protective measures to protect itself from attacks designed to ensure the delivery of critical business processes to its customers. Despite preventative measures, the Issuer's computer systems, software, networks and mobile devices, and those of third parties on whom the Issuer relies, may be vulnerable to cyber-attacks, sabotage, unauthorised access, computer viruses, worms or other malicious code, and other events that have a security impact. Such an event may impact the confidentiality of the Issuer's or its clients', employees' or counterparties' information or the availability of services to customers. As a result, the Issuer could experience material financial loss, loss of competitive position, regulatory actions, breach of client contracts, reputational harm or legal liability, which, in turn, could cause a decline in the Issuer's earnings. The Issuer may be required to spend additional resources to modify its protective measures or to investigate and remediate vulnerabilities or other exposures, and it may be subject to litigation and financial losses that are either not insured against fully or not fully covered through any insurance that it maintains. Any failure in the Issuer's cyber security policies, procedures or capabilities, or cyber-related crime, could lead to the Issuer suffering reputational damage and a loss of clients and could have a material adverse effect on the Issuer's results of operations, financial condition or prospects.

Because the Issuer's businesses are subject to losses from unforeseeable and/or catastrophic events, the Issuer may experience an abrupt interruption of activities, which could have an adverse effect on its financial condition

Because unforeseeable and/or catastrophic events can lead to an abrupt interruption of activities, the Issuer's business operations may be subject to losses resulting from such disruptions. Losses can relate to property, financial assets, trading positions, insurance and pension benefits to employees and also to key personnel. If the Issuer's business continuity plans are not able to be put into action or do not take such events into account, the Issuer's financial condition could be adversely affected.

The Issuer's results can be adversely affected by economic conditions and other business conditions in certain markets and the Eurozone in general

The Issuer operates almost entirely in Europe, particularly in the Netherlands and, to a lesser extent, in Belgium and, in connection with its fiduciary management operations, increasingly in the United Kingdom (UK) and France, and its success is therefore closely tied to general economic conditions in these markets, which, in turn, are part of the European economy and the Eurozone. The Issuer's results can be adversely affected by the uncertain future of the interdependency of the European market, the European Union and the Eurozone.

There remains concern regarding the debt burden of certain Eurozone countries and their ability to meet future financial obligations and the suitability of the Euro as a single currency given the diverse economic and political circumstances in individual Eurozone countries. In addition, the actions required to be taken by those countries as a condition to rescue packages have resulted in increased political discord within and among Eurozone countries. The interdependencies among European economies and financial institutions have also intensified concern regarding the stability of European financial markets generally. These concerns could lead to the re-introduction of individual currencies in one or more Eurozone countries, or, in more extreme circumstances, the possible dissolution of the Euro currency entirely. The legal and contractual consequences for holders of Euro denominated obligations would be determined by laws in effect at such time. This could create significant

uncertainties regarding the enforceability and valuation of Euro denominated contracts to which the Issuer (or its counterparties) is a party. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Issuer's Euro denominated assets and obligations and may even have an adverse effect on the Issuer's financial condition and/or results of operations.

Furthermore, in the UK referendum, which was held on 23 June 2016, the UK voted in favour of an exit from the EU ("**Brexit**"). The result of the UK's referendum to leave the EU and the subsequent initiation of the legal process pursuant to Article 50 of the Lisbon Treaty that must end in March 2019 with the UK exiting the EU may have significant, unpredictable consequences for the UK and the economies and financial markets in the EU. The implications of a Brexit are uncertain and could have an adverse impact with respect to the European integration process, the relationship between the UK and the EU, and economies and businesses in the EU and the UK. The Issuer could be adversely impacted by related market developments such as increased exchange rate movements of the pound sterling versus the euro and higher financial market volatility in general due to increased uncertainty, any of which could affect the results of the Issuer's operations in the EU or the UK. The Issuer could also be adversely impacted should a Brexit result in the UK moving away from agreed and implemented EU legislation.

Sensitivity to the economic downturn through home mortgage loans

Home mortgage loans and to a lesser extent loans to small and medium-sized entities and commercial real estate loans constitute a significant portion of the Issuer's total loan portfolio. A significant downturn in the economy, especially if combined with a drop in property values and increased interest rates, could lead to increased default rates on mortgage loans, loans to small and medium-sized entities and commercial real estate loans and may have an adverse effect on the Issuer's financial condition and/or results of operations.

Impact on the Issuer

The potential weakness in the European economies, in particular the Dutch and/or Belgian economies, could have a direct negative impact on the demand for products and services of the Issuer. The weakness of these economies could materially adversely affect the investment behaviour of the Issuer's core client group, i.e. high net-worth individuals. As a result, the Issuer, similar to other financial institutions, could be confronted with net outflows of assets under management or deposits, and could experience difficulties attracting new clients or deposits and retaining existing clients, resulting in a material adverse impact on the Issuer's business, financial condition, results of operations and prospects. For the risks associated with deposits withdrawal, see also the below risk factor under '*The Issuer is exposed to risks of damage to its reputation which may cause loss of business and funding*'.

The Issuer has generated, and may continue to generate, lower income from commission and fees due to fluctuations in the financial markets, clients experiencing weaker than expected returns on their investments and margin pressure

The Issuer's results of operations depend, to a significant extent, on factors such as the returns enjoyed by its clients on their investments as well as the ability to attract net new money inflows. Weak investment performance in the financial markets, in general, will adversely impact the value of the assets the Issuer manages for its clients and, therefore, could also have a material adverse effect on the Issuer's results of operations and financial condition. The Issuer operates in a competitive and rapidly changing investment market, which includes palpable pressure on management fees, ever more stringent transparency requirements being imposed and a consolidating pensions market together with consolidation of asset managers in the Netherlands. Clients in general have become more cost-conscious and active asset management products have to compete with index-trackers and other forms of passive investment. In addition, clients experiencing weaker than expected returns on investments the Issuer offers or recommends relative to investment solutions of or recommended by its competitors could trigger substantial redemptions and outflows from the Issuer's clients' accounts and hence also have a material adverse effect on the Issuer's results of operations and financial condition.

The Issuer has a certain degree of client concentration, and to the extent the Issuer is unable to retain these clients or sufficiently diversify its client base, its results of operations may suffer

Being primarily a wealth manager, the Issuer is exposed to a certain degree of client concentration risk given that its (targeted) clients are high net-worth individuals. Those individuals and their households have, to a certain degree, similar socio-economic characteristics and they are likewise exposed to comparable macroeconomic and regulatory risks. The Issuer specifically aims to offer wealth management solutions for and wealth management services to, among others, high net-worth individuals, family businesses and their directors/majority

shareholders, business professionals, business executives, healthcare entrepreneurs, and foundations and charities in the Netherlands and Belgium, and, to a certain extent, starters in the wealth management market. In the institutional market, the Issuer's subsidiary Kempen & Co mainly focuses on comprehensive fiduciary investment solutions and investment strategies and offering of merchant banking products and services. In addition, a limited number of clients will continue to be significant to the Issuer in terms of assets under management. If the Issuer is unable to retain these clients or sufficiently diversify its client base, its results of operations and financial condition may be adversely affected.

The Issuer's activities are less diversified than some other Dutch banks

The majority of the Issuer's income is generated by its Private Banking division and the remainder from its Asset Management, Merchant Banking, Corporate Banking and other activities divisions. As a result, the Issuer is less diversified in terms of client segmentation and geographically than some other Dutch banks, and is particularly exposed to the development of its Private Banking division and the Dutch economy, and any material adverse effects thereto may adversely affect the Issuer's results of operations and financial condition. See also the above risk factor under the heading '*The Issuer's results can be adversely affected by general economic conditions and other business conditions*'.

The Issuer may fail to achieve its strategic goals or its strategic targets

The Issuer's ability to execute its strategy, as discussed further in the chapter entitled '*VAN LANSCHOT N.V. – Strategy 2020*' below, will depend on a variety of factors which are to some degree within its control, such as its ability to attract clients and investors and its skill in structuring and executing transactions, as well as factors outside of its control, such as global economic conditions, fluctuating interest rates and demand for certain products. The Issuer cannot be certain that its strategy will be a success or whether it will meet its published targets.

The Issuer's business strategies are based on its assumptions about future demand for the Issuer's services. This future demand depends, among others, on the Issuer's ability to realign its product portfolio, innovate to keep up with changes in technology or the competitive environment, finalise the transformation of its IT landscape, finance its operations, maintain adequate customer service levels, respond to regulatory changes, and retain and attract highly skilled technical, portfolio management, relationship management, managerial, marketing, sales and finance personnel. Any failure to develop, revise or implement the Issuer's business strategies in a timely and effective manner or continue to offer the services that customers demand may adversely affect the Issuer's business, financial condition and results of operations.

Since the global financial crisis in 2008-2009, macroeconomic volatility has made it more difficult to predict gross domestic product ("**GDP**") development in many economies, resulting in frequent modifications to growth expectations published by economic research institutions, as well as in adjustments by market research specialists, sometimes giving rise to significant revisions to growth expectations for specific markets. As a result, many banks, including the Issuer, may find it difficult to accurately model and predict the prospects for their businesses, and set viable financial targets, and it may be difficult for investors to use historical financial information as an indicator of future results. Any failure by the Issuer to accurately predict the economic environment and the development of its business could lead to misjudgements as to the level of production capacities needed by it for its business could increase the risk of failed investments and may materially affect its business, financial condition and results of operations.

The Issuer's performance is subject to substantial competitive pressures that could adversely affect its results of operations

There is substantial competition for the types of wealth management and other products and services that the Issuer provides in the Netherlands and the other regions in which the Issuer conducts large portions of its business. Such competition is affected by consumer demand, technological changes, the impact of consolidation, regulatory actions and other factors. If the Issuer is unable to provide attractive product and service offerings that are profitable, it may lose market share or incur losses on some or all activities.

The Issuer operates in industries that are highly regulated

There could be an adverse change or increase in financial services laws, regulations or policies governing or applied in relation to the Issuer's business, including changes in tax law. In addition, the interpretation or application by supervisory authorities or courts of such laws, regulations or policies may adversely change. There are frequent investigations by supervisory authorities, both into the financial services industry and into the

Issuer, which could result in governmental enforcement actions, fines, penalties, negative publicity or reputational damage. The Issuer conducts its businesses subject to ongoing regulatory and associated risks, including the effects of changes in law, regulations, interpretations, and policies in the Netherlands and any other jurisdiction it conducts its businesses in.

Financial services and banking laws, regulations and policies currently governing or applied in relation to the Issuer may also change, or their interpretation may change, at any time in ways which have an adverse effect on the Issuer's business, and it is difficult to predict the timing or form of any future regulatory or enforcement initiatives in respect thereof. In recent years, the cost of supervision of banks in general has increased significantly and is expected to increase further. As an organisation with relatively limited scale, the Issuer is burdened financially and operationally by the pressure of increasing and/or changing regulations and the heightened duty to provide reports to regulators. In light of the responses to the global economic and financial crisis there is an increased emphasis on new regulations, including in particular rules and regulations regarding capital requirements, resolution mechanisms and measures (such as living wills and the tendency to simplify legal and operational group structures), liquidity, leverage and other factors (such as provision of financial services, tax compliance, anti-money laundering, international sanctions and otherwise) affecting banks such as the Issuer.

The business of the Issuer is highly regulated and supervised by several Dutch regulatory authorities. The Issuer is required to hold licenses for its operations and is subject to regulation and supervision by authorities in the Netherlands (such as the Dutch Central Bank (*De Nederlandsche Bank N.V.* or "**DNB**"), the AFM and Euronext Amsterdam) and in all other jurisdictions in which it operates. As of 4 November 2014, the Issuer is subject to indirect supervision by the ECB under the new system of supervision, which comprises the ECB and the national competent authorities of participating EU Member States, the Single Supervisory Mechanism ("**SSM**"). The SSM is one of the elements of the Banking Union. The ECB may give instructions to DNB in respect of the Issuer or even assume direct supervision over the prudential aspects of the Issuer's business. The SSM has resulted, and may continue to result, in a change in the interpretation of regulations, an alignment of national legislative options and discretion and changes to the supervisory practice.

Laws and regulations applied at national level generally grant supervisory authorities broad administrative discretion over the activities of the Issuer, including the power to limit or restrict business activities. It is possible that laws and regulations governing the business of the Issuer or particular products and services could be amended or interpreted in a manner that is adverse to the Issuer, for example, to the extent that existing laws and regulations are amended or future laws and regulations are adopted that (i) reduce or restrict the sale of the products and services the Issuer offers, whether existing or new, or (ii) negatively affect the performance of the products and services the Issuer offers, whether existing or new. The revenues and costs of the Issuer, profitability and available or required regulatory capital could also be affected by an increase or change in the degree of regulation in any of the markets in which the Issuer operates, whether existing or new. For example, bail-in regulations (see also the below risk factor under the heading *'Intervention and resolution powers under the Wft, the BRRD and the SRM'*) forcing write down or conversion into equity of debt incurred by a failing financial institution put into resolution by a competent authority may increase interest on debt instruments incurred by financial institutions generally and so generally increase funding cost of the banking sector, including the Issuer. Due to the highly complex nature of the regulatory environment in which the Issuer operates, it will entail more costs to ensure that the Issuer is, and will continue to be, in compliance with all applicable laws and regulations at all times, since the volume of regulation is increasing and the scope of the activities may change.

Despite the Issuer's efforts to maintain effective compliance procedures and to comply with applicable laws and regulations, these compliance procedures may be inadequate or otherwise ineffective, including as a result of human or other operational errors in their implementation, and the Issuer might fail to meet applicable standards. The Issuer may also fail to comply with applicable laws and regulations as a result of unclear regulations, regulations being subject to multiple interpretations or being under development, or as a result of a shift in the interpretation or application of laws and regulations by supervisory authorities.

If the Issuer or any of its affiliates is in breach of any existing or new laws or regulations now or in the future, the Issuer will be exposed to the risk of intervention by regulatory authorities, including investigation and surveillance, and judicial or administrative proceedings. In addition, the reputation of the Issuer could suffer and

the Issuer could be fined or prohibited from engaging in some of its business activities or be sued by clients if it does not comply with applicable laws or regulations.

Furthermore, by nature of their banking activities, private banks such as the Issuer service a higher percentage of clients with savings and deposits in excess of the Dutch deposit guarantee scheme's current reimbursement limit of EUR 100,000 (*Depositogarantiestelsel*), (the "**Deposit Guarantee Scheme**"). Such clients may be more likely to be affected and/or influenced by any measures, whether proposed or actual, taken in respect of such savings and deposits, which may include but are not limited to the aforementioned bail-in measures and bank resolutions. These clients may decide to diversify, decrease or cancel their savings and deposits with banks such as the Issuer, which depends on such deposits for a significant proportion of its funding. Any of the abovementioned circumstances could have a material adverse effect on the ability of banks such as the Issuer to maintain or increase its current and future liquidity ratios and on their financial condition.

Minimum regulatory capital and liquidity requirements

The Issuer is subject to the risk, inherent in all regulated financial businesses, of having insufficient capital resources to meet the minimum regulatory capital requirements. Specifically, in December 2010, the Basel Committee on Banking Supervision (the "**Basel Committee**") published its final standards on the revised capital adequacy framework known as "**Basel III**". These standards are significantly more stringent than the requirements until then. In order to facilitate the implementation of the Basel III capital and liquidity standards for banks and investment firms, the CRD IV-package (known as "**CRD IV**") was adopted. CRD IV consists of a directive (the "**CRD IV Directive**") and a regulation (the "**CRD IV Regulation**") and aims to create a sounder and safer financial system. The CRD IV Directive governs amongst other things the permissibility of deposit-taking activities while the CRD IV Regulation establishes the majority of prudential requirements institutions need to respect.

The CRD IV Regulation entered into force on 1 January 2014. On 1 August 2014, the CRD IV Directive was implemented into Dutch law. The application in full of all measures under CRD IV (including any national implementation thereof) will have to be completed before 1 January 2019.

CRD IV, in implementing Basel III, is intended to increase the quality and quantity of capital, requires increased capital against derivative positions and introduces a capital conservation buffer, a counter-cyclical buffer, a systemic risk buffer, a new liquidity framework (liquidity coverage ratio and net stable funding ratio) as well as a leverage ratio. The leverage ratio is defined as Tier-1 capital divided by a measure of non-risk weighted assets. The leverage ratio is expected to become a binding harmonised requirement of at least 3 per cent. With respect to the percentage, the Dutch government has previously announced that it wishes to implement a leverage ratio of at least 4 per cent. for significant Dutch banks. Currently, further to the coalition agreement of the new Dutch government, this appears to be no longer pursued. Moreover, the Issuer would not currently qualify as a significant bank, and therefore would not be subject to any such 4 per cent. leverage ratio. There is, however, no guarantee that the Issuer will not be considered a significant bank for such purposes in the future or that an increased minimum leverage ratio will not be imposed on less significant banks as well.

In addition, in December 2014, the Basel Committee published a public consultation regarding the introduction of capital floors based on standardised approaches as a result of which banks may be required to apply advanced approaches to risk categories by applying the higher of (i) the risk weighted assets ("**RWA**") floor based on (new) standardised approaches and (ii) the RWA based on advanced approaches in the denominator of their ratios. Since then, the Basel Committee has published additional changes to the standardised approach for credit risk in December 2015 ("**Revisions to the Standardised Approach for credit risk – second consultative document**") as well as requesting consultation on proposals to reduce the variation in credit risk weighted assets that are calculated using internal models (F-IRB and A-IRB) and to impose floors on input parameters ("**Reducing variation in credit risk-weighted assets – constraints on the use of internal model approaches**", issued for comments in March 2016). On 7 December 2017, the Basel Committee published the finalised Basel III reforms as improvements to the global regulatory framework ("**Basel III Reforms**") (informally referred to as Basel IV). Basel III Reforms seeks to restore credibility in the calculation of RWA and improve the comparability of banks' capital ratio. The most important changes involve stricter rules for internal models. Internal models for operational risk will no longer be permitted; a standardised approach must be applied instead. The rules for calculating RWAs for credit risk will be tightened, under the standardised approach as well as under the internal ratings-based (IRB) approach. Furthermore, the requirements for the risk-weighting of mortgages will change. In the revised standardised approach, mortgage risk weights depend on the loan-to-value (LTV) ratio of the relevant mortgage (instead of the existing single risk weight to residential mortgages). In

accordance with the Basel III Reforms, banks' calculations of RWAs generated by internal models cannot, in aggregate, fall below 72.5 per cent. of the RWA computed by the standardised approaches. This limits the benefit the Issuer can gain from using internal models to 27.5 per cent. The implementation will be gradual, over a nine-year period. A 50 per cent. floor comes into effect at the start of 2022, followed by 5 per cent. increases every year until 2026, when 70 per cent. will be the floor. The final 72.5 per cent. floor will be in effect in 2027. Although the impact of Basel III Reforms remains subject to considerable uncertainty, the implementation of the standardised RWA floors could have a significant impact on the calculation of the Issuer's risk weighted assets if differences occur in risk weighted assets calculated on the basis of advanced approaches and such calculation on the basis of new standardised rules.

On 23 November 2016, the European Commission announced a further package of reforms to CRD IV, the BRRD and the SRM Regulation (each of the BRRD and SRM Regulation as defined below) (the "**EU Banking Reforms**"), including measures to increase the resilience of EU institutions and enhance financial stability, potentially resulting in changes to pillar 2 regulatory capital framework, a binding leverage ratio of 3 per cent., the introduction of a binding minimum net stable funding ratio of 100 per cent., the MREL requirement and calibration and the implementation of the Basel's committee fundamental review of the trading book into law. These proposals may have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects, including that the Issuer may be required to obtain additional capital and eligible liabilities. The timing for the final implementation and the final impact of these reforms as at the date of this Base Prospectus is unclear. Furthermore, until the EU Banking Reforms are in final form, it is uncertain how the proposals will affect the Issuer or the holders of the Notes.

These and other future regulatory reform proposals could result in the imposition of additional restrictions on the Issuer's activities if it were to no longer meet certain capital requirements at the level of the Issuer, or at the level of certain subsidiaries or the Issuer's parent. The Issuer believes that it will become subject to stricter capital and liquidity requirements which may also affect the scope, coverage or calculation of capital, liquidity and risk weighted assets, all of which could significantly reduce the Issuer's income and require the Issuer to reduce business levels, to reduce or cease dividend payments, or to raise additional share capital. Further, stricter liquidity requirements could hinder the Issuer's ability to manage its liquidity in a centralised manner and may cause trapped pools of liquidity, resulting in inefficiencies in the management of the Issuer's liquidity. The quantitative impact of additional regulatory capital requirements is currently uncertain and will depend also on the future development of the Issuer's balance sheet and whether multiple or even all of the changes have negative consequences for the Issuer, or only a few.

Further, the European Commission, the European Banking Association ("**EBA**"), the ECB, the Netherlands and/or DNB may implement the package of reforms in a manner that is different from that which is currently envisaged, or may impose additional capital and liquidity requirements on (a subset of) Dutch banks. Additionally, the revised accounting standard IAS 19R may lead to higher volatility in the Issuer's Common Equity Tier I ("**CET1**") ratio in the future. The Issuer uses internal models to assess the risks of its loan portfolio. These models are subject to regulatory approval, which can be withdrawn at the discretion of the DNB for instance, based on regulatory developments or the development of the Issuer's loan portfolio. A withdrawal of regulatory approval could have a significant impact on the risk weighted assets of the Issuer due to the substantial difference in risk weighted assets calculated on the basis of the internal models when compared to the outcome if such models are not available. If the regulatory capital requirements, liquidity restrictions or ratios applied to the Issuer are increased in the future, it will have an impact on the financial position of the Issuer and any failure of the Issuer to maintain such increased capital and liquidity ratios could result in administrative actions or sanctions, which may have an adverse effect on the Issuer's business, results of operations or financial condition.

In addition, as part of the EU Supervisory Review and Evaluation Process, supervisory authorities may perform an analysis of the Issuer's business model, arrangements, strategies, processes and mechanisms to form a view on its viability and sustainability. If necessary, they may take measures to address any problems and concerns including, among other things, requiring additional capital and/or liquidity buffers. Such measures may result in changes to the business plan and strategy, or require the Issuer to reduce risks that are inherent in certain products by requiring changes to the offering of these products or improvements of the governance and control arrangements around product development and maintenance. They may also include measures to reduce risks inherent to the Issuer's systems by requiring improvements of its systems. Any such measures may materially

and adversely affect the Issuer's business and may force the Issuer to make substantial investments to meet the requirements.

IT and other systems on which the Issuer depends for its day-to-day operations may fail for a variety of reasons that may be outside its control

The Issuer's operations are highly dependent on IT systems and its ability to process and monitor, on a daily basis, a large number of transactions, some of which are complex. The Issuer's financial, accounting, data processing or other operating systems and facilities may fail to operate properly or may become disabled, which may have an adverse effect on the Issuer's ability to process transactions, provide services or conduct other operations. In addition, other factors which could cause the Issuer's operating systems to fail or not operate properly include a deterioration in the quality of IT development, support and operations processes and, in particular, high turnover of employees, resulting in an inadequate number of personnel to handle the growth and increasing complexity of operations. Despite the Issuer's ongoing expenditures on its IT systems, there can be no assurance that these expenditures will be sufficient or that its IT systems will function as planned. Any disruption in the Issuer's IT or other systems may have a material adverse effect on its business, financial condition or results of operations.

The Issuer is exposed to risks of damage to its reputation which may cause loss of business and deposit outflows

The Issuer is exposed to the risk that, among other things, litigation, employee misconduct, operational failures, outcome of current and future investigations by regulatory authorities and press speculation and the possible negative publicity resulting therefrom, whether or not founded, may harm its reputation. The reputation of the Issuer could also be harmed if products or services recommended by it do not perform as expected, for example in relation to endowment mortgage products.

Negative publicity could, for example, be based on allegations that the Issuer does not or does not fully comply with regulatory requirements or anti-money laundering rules, or could result from negative publicity about a third party linked to the Issuer (such as an affiliate, an intermediary or a partner) or about politically exposed persons in the customer base of the Issuer. Furthermore, negative publicity could result from failures in the information technology systems of the Issuer, loss of customer data or confidential information, or failure in risk management procedures. Negative publicity could also, but not exclusively, result from any misconduct or malpractice relating to affiliates, intermediaries, business promoters or third party managers linked to the Issuer.

Any resulting damage to the reputation of the Issuer could cause disproportionate damage to its business, regardless whether the negative publicity is factually accurate. Negative publicity could also be repeated or amplified by third parties, which could damage the reputation of the Issuer further.

Any damage to the reputation of the Issuer could cause existing customers to withdraw their business or deposits from the Issuer and potential customers to be reluctant or elect not to do business or place deposits with the Issuer. Withdrawal of deposits and reluctance to place new deposits may cause illiquidity and/or insolvency which may result in emergency, resolution and/or recovery measures, and/or bankruptcy of the Issuer. Since private banks' customer deposits have proved more confidence-sensitive than retail banks' in the past, the Issuer is particularly vulnerable to this risk in this respect. Furthermore, negative publicity could result in greater regulatory scrutiny and influence market or rating agency perception of the Issuer, which, amongst other factors, may make it more difficult for it to maintain its respective credit rating.

Deteriorating economic conditions or other factors could result in the further impairment of goodwill and intangible assets, which may adversely affect the Issuer's financial condition or results of operations

To the extent economic conditions worsen or other factors cause one or more of the Issuer's historic acquisitions for which goodwill was recorded to show increasing signs of impairment, the Issuer may need to record impairment charges relating thereto, and such charges could have a material adverse effect on its financial condition or results of operations.

Litigation or other proceedings or actions may adversely affect the business, financial condition and results of operations of the Issuer

The Issuer faces significant legal risks in the conduct of its business. In the Netherlands, the number and size of claims that are the subject of litigation, regulatory proceedings and other adversarial proceedings (including, without limitation, class actions) against financial institutions are increasing, and could further increase

following a draft bill that was submitted on 15 November 2016 to parliament (*Kamerstukken II 2016/17, 34608, 2*) and which is currently still pending, on the basis of which, if it will be enacted, it would be possible to collectively claim damages. These legal risks could potentially involve, but are not limited to, disputes concerning the products and services in which the Issuer acts as principal, intermediary or otherwise.

The Issuer has been involved in the sale of interest rate derivatives to small and medium size enterprises ("SMEs"), although to a lesser extent than such other Dutch financial institutions. The Issuer has agreed to abide by the Netherlands' general recovery framework for interest rate derivatives clients, implying that it will offer courtesy payments to SMEs. Alternatively, SMEs to which the Issuer sold such derivatives (including a relatively smaller number of the Issuer's interest derivatives clients to whom the general recovery does not apply and to whom, as a result, no courtesy payments will be made) may claim damages from and initiate legal proceedings against the Issuer in respect hereof. In addition, in these matters, the AFM, and other (supervisory) authorities have taken and may take measures against or impose fines on the parties involved, including the Issuer. See also '*Sale of interest rate derivative instruments to SME clients*' under the heading '*Legal and Arbitration Proceedings*' in the section '*VAN LANSCHOT N.V.*'.

In 2015, the Issuer sold a portfolio of non-performing commercial real estate loans to a company affiliated to Cerberus Capital Management, L.P. The sale concerned loans with a total nominal amount of €400 million and about 120 client relationships. In relation to this sale, various debtors have filed complaints with the Issuer. A number of individual debtors have initiated legal proceedings against the Issuer, stating that the transfer of the debtor's loan and the rights related thereto was invalid. See also '*Sale of commercial real estate loans*' under the heading '*Legal and Arbitration Proceedings*' in the section '*VAN LANSCHOT N.V.*'.

Increasingly financial institutions are also held liable by customers for actions of intermediaries even if there has been little to no control over the actions of such intermediaries. Also, companies in the Issuer's industry are increasingly exposed to collective claims (with or without merit) from groups of customers or consumer organisations seeking damages for an unspecified or indeterminate amount or involving unprecedented legal claims. These risks are often difficult to assess or to quantify and their existence and magnitude often remain unknown for substantial periods of time. It is inherently difficult to predict the outcome of many of the pending or future claims, regulatory proceedings and other adversarial proceedings involving the Issuer. The costs to defend future actions may be significant. There may also be adverse publicity associated with litigation that could decrease customer acceptance of the Issuer's services, regardless of whether the allegations are valid or whether the Issuer is ultimately found liable. As a result, litigation may adversely affect the Issuer's business, financial condition and results of operations. See also the risk factor '*The Issuer is exposed to risks of damage to its reputation*' and the paragraph '*Legal and Arbitration Proceedings*' in the section '*VAN LANSCHOT N.V.*'.

Intervention and resolution powers under the Wft, the BRRD and the SRM

The Bank Recovery and Resolution Directive ("**BRRD**") was adopted by the European Council on 6 May 2014. Member States should have implemented the BRRD by 1 January 2015 (except for the bail-in tool which was required to be implemented by 1 January 2016). The Netherlands has implemented the BRRD in November 2015 in legislation which substantially replaces the previous provisions of the Dutch Financial Supervision Act (*Wet op het financieel toezicht* or "**Wft**") in relation to bank resolution. However, the powers of the Dutch Minister of Finance under the Wft when the Dutch Minister of Finance is of the opinion that the stability of the financial system is in serious and immediate danger due to the situation of the relevant financial institution and with a view to the stability of such system, include the power to (i) commence proceedings leading to ownership by the Dutch State (nationalisation) of the relevant financial institution, or also of its parent company, and expropriation of their respective assets, liabilities and/or securities (including debt securities such as the Notes issued under the Programme) as well as any claims against the institution or parent company, and (ii) take immediate measures which may deviate from statutory provisions or from the articles of association of the relevant financial institution (*financiële onderneming*) or its parent company (the "**Dutch Law Intervention Powers**").

On 10 July 2013, the European Commission proposed a regulation establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms (the "**SRM Regulation**") in a framework of a single resolution mechanism and a single bank resolution fund (such mechanism, the "**SRM**"). The SRM Regulation was adopted on 15 July 2014 and became fully applicable as from 1 January 2016.

The SRM establishes a European single resolution board ("**SRB**") (consisting of representatives from the ECB, the European Commission and the relevant national resolution authorities) that will manage (through the national

resolution authorities or directly) the failing of any bank in the Eurozone and in other EU Member States participating in the European Banking Union. One of the aims of the SRM is a consistent application of the instruments and authorities granted to national resolution authorities under the BRRD. The SRB is directly responsible for dealing with banking groups that fall under direct supervision of the ECB under the SSM, as well as any cross border banking groups. As a less significant bank without subsidiaries in other Eurozone countries, DNB is primarily responsible in its capacity as Dutch national resolution authority for the Issuer.

The SRM Regulation and the BRRD apply not only to banks, but may also apply to certain investment firms, group entities and (to a limited extent) branches of equivalent non-EEA banks and investment firms. In connection therewith, the SRM Regulation and the BRRD recognize and enable the application of the recovery and resolution framework both on the level of an individual entity as well as on a group level. The below should be read in the understanding that the Issuer may become subject to requirements and measures under the SRM Regulation and the BRRD not only with a view to or as a result of its individual financial situation, but also, in certain circumstances, with a view to or as a result of the financial situation of the group that it forms part of.

Under the SRM Regulation and the BRRD, DNB and/or any other resolution authority such as the SRB (each, a "**Resolution Authority**") has four resolution tools and powers which may be used alone or in combination: (i) sale of business – which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms; (ii) bridge institution – which enables resolution authorities to transfer all or part of the business of the firm to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation – which enables resolution authorities to transfer assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) a bail-in tool that could result subordinated and/or senior debt instruments or other eligible liabilities of the Issuer absorbing losses by means of writing down debt or converting such liabilities into shares or other instruments of ownership of the Issuer, another group entity or a bridge institution (the "**Bail-In Tool**") (such resolution tools and powers together, the "**Resolution Powers**").

The Resolution Powers may be utilised by the Resolution Authority if the Resolution Authority determines that an institution meets the conditions for resolution, defined as:

- a) the institution is failing or likely to fail, which means (i) the Issuer has incurred/is likely to incur in the near future losses depleting all or substantially all its own funds, and/or (ii) the assets are/will be in the near future less than its liabilities, and/or (iii) the Issuer is/will be in the near future unable to pay its debts as they fall due, and/or (iv) the Issuer requires public financial support (except in limited circumstances);
- b) there is no reasonable prospect that a private action or supervisory action would prevent the failure within a reasonable timeframe; and
- c) a resolution action is necessary in the public interest.

In addition to the Resolution Powers, resolution authorities have the power to permanently write-down or convert into equity capital instruments (such as Subordinated Notes qualifying as Tier 2) at the point of non-viability and before any other resolution action is taken ("**non-viability loss absorption**"). Any shares or other instruments of ownership issued to holders of such capital instruments upon any such conversion into equity may also be subject to any application of the Resolution Powers.

For the purposes of the application of any non-viability loss absorption measure, the point of non-viability under the SRM Regulation and the BRRD is the point at which the Resolution Authority determines that the institution meets the conditions for resolution (but no resolution action has yet been taken) or that the institution or, in certain circumstances, its group, will no longer be viable unless the relevant capital instruments (such as Subordinated Notes qualifying as Tier 2) are written-down or converted or extraordinary public financial support is to be provided and without such support the appropriate authority determines that the institution or group would no longer be viable.

The Resolution Authority should take the write-down and conversion steps in the following order (subject to certain exceptions, such as the exclusion or partial exclusion by the Resolution Authority of certain liabilities from the Bail-In Tool, and potential changes in the future):

- (i) Common Equity Tier 1 items;
- (ii) principal amount of Additional Tier 1 instruments;

- (iii) principal amount of Tier 2 instruments;
- (iv) principal amount of other subordinated debt (not Additional Tier 1 or Tier 2 instruments), in accordance with hierarchy of claims in normal insolvency proceedings; and
- (v) principal amount of other not excluded liabilities, in accordance with hierarchy of claims in normal insolvency proceedings.

For the avoidance of doubt, any non-viability loss absorption measure can only extend to the instruments referred to under (i), (ii) and (iii) while the Bail-In Tool may also result in the write-down or conversion of the liabilities referred to under (iv) and (v).

Noteholders should be aware that one of the purposes of the resolution tools available to the Resolution Authority is to protect public funds by minimising reliance on extraordinary public financial support and as a result financial public support will only be used as a last resort after having assessed and used, to the maximum extent practicable, the resolution tools, including the Bail-In Tool. Therefore there is a real risk that the resolution tools will be applied by the Resolution Authority if the Issuer meets the conditions for resolution as set out above.

As a result of the exercise of any Bail-In Tool or non-viability loss absorption measure, the Notes could, in certain circumstances, become subject to a determination by the Resolution Authority that all or part of the principal amount of the Notes, including accrued but unpaid interest in respect thereof, must be written off, converted into shares or other instruments of ownership of the Issuer, a group entity or bridge institution, or otherwise be applied to absorb losses. Exercise of the Bail-In Tool or non-viability loss absorption measure shall not constitute an event of default in respect of the relevant Notes. As a consequence, the Noteholders will have no further claims in respect of any amount so written off or otherwise as a result of such measure and a Noteholder could lose its entire claim on the Issuer resulting from the Notes.

Any determination that the Issuer will become subject to Resolution Powers or that all or part of the principal amount of the Notes will be subject to the Resolution Powers or non-viability loss absorption measure may be inherently unpredictable and may depend on a number of factors which may be outside the Issuer's control. Accordingly, trading behaviour in respect of Notes which are subject to the Resolution Powers or non-viability loss absorption measure or are issued by an issuer that is subject to Resolution Powers is not necessarily expected to follow trading behaviour associated with other types of securities. Any (perceived) indication that the Issuer will become subject to Resolution Powers or that the Notes will become subject to the Resolution Powers or non-viability loss absorption measure could have an adverse effect on the market price of the relevant Notes. Potential investors should consider the risk that a Noteholder may lose all of its investment in such Notes, including the principal amount plus any accrued but unpaid interest, if such measures were to be taken. In addition, even in circumstances where a claim for compensation is established under the 'no creditor worse off' safeguard in accordance with a valuation performed after the resolution action has been taken, it is unlikely that such compensation would be equivalent to the full losses incurred by the Noteholders in the resolution and there can be no assurance that Noteholders would recover such compensation promptly.

In addition to the Bail-In Tool and non-viability loss absorption measure, the SRM Regulation and the BRRD provide the Resolution Authority with broader powers to implement other resolution measures with respect to the Issuer when it meets the conditions for resolution, which may include (without limitation) the sale of the Issuer's business, the separation of assets, the replacement or substitution of the Issuer as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments) and discontinuing the listing and admission to trading of financial instruments.

On 10 July 2013, the European Commission announced the adoption of its temporary state aid rules for assessing public support to financial institutions during the crisis (the "**Revised State Aid Guidelines**"). The Revised State Aid Guidelines impose stricter burden-sharing requirements, which require banks with capital needs to obtain additional contributions from equity holders and capital instrument holders before resorting to public recapitalisations or asset protection measures. The European Commission has applied the principles set out in the Revised State Aid Guidelines from 1 August 2013. The European Commission has made it clear that any burden sharing imposed on subordinated debt holders will be made in line with principles and rules set out in the BRRD.

The SRM Regulation, BRRD and the Revised State Aid Guidelines could negatively affect the position of the Noteholders and the credit rating attached to debt instruments then outstanding and could result in losses to Noteholders, in particular if and when any of the above proceedings would be commenced against the Issuer. These measures could increase the Issuer's cost of funding and thereby have an adverse impact on the Issuer's financial condition and results of operation. In addition, there could be further amendments to the SRM Regulation, BRRD and the Revised State Aid Guidelines, which may add to these effects.

In summary, the Issuer is unable to predict what effects, if any, the Dutch Law Intervention Powers, the BRRD the SRM Regulation and the Revised State Aid Guidelines may have on the financial system generally, the Issuer's counterparties, or on the Issuer, its operations and/or its financial condition or the Notes. The Dutch Law Intervention Powers, the BRRD, the SRM Regulation and the Revised State Aid Guidelines could negatively affect the position of Noteholders and the credit rating attached to the Notes, in particular if and when any of the above proceedings would be commenced or would be perceived to commence against the Issuer, since the application of any such legislation may affect the rights and effective remedies of the Noteholders as well as the market value of the Notes.

Minimum requirement for own funds and eligible liabilities under the SRM Regulation and the BRRD

Pursuant to the SRM Regulation and the BRRD, banks are required to meet at all times a minimum amount of own funds (which includes Common Equity Tier 1 instruments, Additional Tier 1 instruments and Tier 2 instruments) and eligible liabilities ("**MREL**") expressed as a percentage of the total liabilities and own funds to ensure the effective application of the Bail-In Tool. The Resolution Authority shall establish a level of minimum MREL on a bank-by-bank basis based on assessment criteria to be set out in technical regulatory standards. On 23 May 2016, the European Commission adopted regulatory technical standards on the criteria for determining MREL under the BRRD (the "**MREL Delegated Regulation**"). The level of own funds and eligible liabilities required under MREL will be set by the resolution authority for each bank (and/or group) based on, among other things, the criteria set forth in Article 45.6 of the BRRD, including the systemic importance of the institution. Eligible liabilities may be senior or subordinated, provided, among other requirements, that they have a remaining maturity of at least one year and, if governed by a non-EU law, they must be able to be written down or converted under that law (including through contractual provisions).

The MREL requirement came into force on 1 January 2016. However, the EBA has recognised the impact which this requirement may have on banks' funding structures and costs and the MREL Delegated Regulation states that the resolution authorities shall determine an appropriate transitional period but that this shall be as short as possible. As part of the EU Banking Reforms, the European Commission announced a further package of reforms to the BRRD and the SRM Regulation, including to the MREL requirement on 23 November 2016. As part of these reforms, the European Commission proposed to harmonise the priority ranking of unsecured debt instruments under national insolvency proceedings with the adoption of a new directive, amending the BRRD (Directive (EU) 2017/2399, the "**Amendment Directive**"), introducing a new statutory category of unsecured debt available in all EU Member States and which would rank just below the most senior debt and other senior liabilities for the purposes of resolution, while still being part of the senior unsecured debt category (so called "senior non-preferred debt"). The Amendment Directive entered into force on 28 December 2017. Save for certain elements, such as the required implementation in the EU Member States of the senior non-preferred debt ultimately by 29 December 2018, the timing for the final implementation of the EU Banking Reforms as at the date of this Base Prospectus is unclear. A bill implementing the requirement for senior non-preferred debt in the Netherlands came into force in December 2018.

On 14 December 2016, the EBA submitted a final report on the implementation and design of the MREL framework (the "**EBA MREL Report**") which contains a number of recommendations to amend the current MREL framework. The EU Banking Reforms contain the legislative proposal of the European Commission for the amendment of the MREL framework and the implementation of the TLAC standards. The EU Banking Reforms propose the amendment of a number of aspects of the MREL framework to align it with the TLAC Standards (as defined below). To maintain coherence between the MREL rules applicable to G-SIBs and those applicable to non-G-SIBs, the EU Banking Reforms also propose a number of changes to the MREL rules applicable to non-G-SIBs, including (without limitation) the criteria for the eligibility of liabilities for MREL. While the EU Banking Reforms propose for a minimum harmonised or "Pillar 1" MREL requirement for G-SIBs, in the case of non-G-SIBs it is proposed that MREL requirements will be imposed on a bank-specific basis. For G-SIBs it is also proposed that a supplementary or "Pillar 2" MREL requirement may be further imposed on a bank-specific basis. The EU Banking Reforms further provide for the resolution authorities to give

guidance to an institution to have own funds and eligible liabilities in excess of the requisite levels for certain purposes.

The MREL framework may be subject to substantial change over the coming years, amongst others, as a result of the changes envisaged in the EU Banking Reforms. As a result it is not possible to give any assurances as to the ultimate scope, nature, timing, disclosure and consequences of breach of any resulting obligations, or the impact that they will have on the Issuer once implemented. If the Issuer were to experience difficulties in raising MREL eligible liabilities, it may have to reduce its lending or investments in other operations which would have a material adverse effect on the Issuer's business, financial position and results of operations. The above requirements (and any actual, or perceived likelihood of any, breach of them) may also affect the market value of Notes. At this point in time, it is not possible for the Issuer to assess the impact which these changes will have on it once implemented. Furthermore, at the date of this Base Prospectus, the National Resolution Authority has not determined the minimum MREL of the Issuer.

The Financial Stability Board and additional governmental measures

In addition to the adoption of the laws, regulations and other measures described herein, regulators and lawmakers around the world are actively reviewing the causes of the financial crisis and exploring steps to avoid similar problems in the future. In many respects, this work is being led by the Financial Stability Board ("**FSB**"), consisting of representatives of national financial authorities of the G20 nations. The G20 and the FSB have issued a series of papers and recommendations intended to produce significant changes in how financial companies, particularly companies that are members of large and complex financial groups, should be regulated. The FSB has developed proposals to enhance the total loss-absorbing capacity ("**TLAC**") of global systemically important banks in resolution. On 9 November 2015, the FSB issued the final TLAC standard (the "**TLAC Standard**") for global systemically important banks ("**G-SIBs**"). The TLAC standard has been designed so that failing G-SIBs will have sufficient loss-absorbing and recapitalisation capacity available in resolution for authorities to implement an orderly resolution that minimises impacts on financial stability, maintains the continuity of critical functions, and avoids exposing public funds to loss. The TLAC standard defines a minimum requirement for the instruments and liabilities that should be readily available for bail-in within resolution at G-SIBs, but does not limit authorities' powers under the applicable resolution law to expose other liabilities to loss through bail-in or the application of other resolution tools. Work is currently ongoing in the EU to implement the TLAC standard into EU legislation. In particular the European Commission has proposed to incorporate TLAC into the capital requirement framework, as an extension to the own funds requirements and as part of the EU Banking Reforms as discussed above under '*Minimum requirement for own funds and eligible liabilities under the SRM Regulation and the BRRD*'. Therefore, although the TLAC Standard will not be applicable to the Issuer because it is not a G-SIB, future capital and buffer requirements applicable to the Issuer will increase in order to be more in line with the TLAC Standard for G-SIBs and as a result there is a possibility that the Issuer will be required to strengthen its capital position. This may result in higher capital and funding costs for the Issuer, and as a result may materially and adversely affect the Issuer's profits and its possible ability to pay dividends.

Furthermore, the lawmakers and regulatory authorities in a number of jurisdictions in which the Issuer conducts or may conduct business have already begun introducing legislative and regulatory changes consistent with earlier G20 and FSB recommendations, and not limited to companies that are members of large and complex financial groups but extending to all banks, including proposals governing executive compensation by the financial regulators in the EU (the "**ECB**"), the Netherlands ("**DNB**"), Germany ("**BaFIN**") and the United Kingdom ("**FSA**").

Furthermore, governments in the Netherlands and abroad have also intervened in the banking sector over the past few years on an unprecedented scale, responding to stresses experienced in the global financial markets.

Risk associated with Compensation Schemes

In the Netherlands and other jurisdictions deposit guarantee schemes and similar funds ("**Compensation Schemes**") have been implemented and a euro-area wide deposit insurance scheme for bank deposits was proposed by the European Commission on 24 November 2015, which will come into effect in 2024.

Pursuant to such schemes from which compensation may become payable to customers of financial services firms in the event the financial service firm is unable to pay, or unlikely to pay, claims against it. In many jurisdictions these Compensation Schemes are funded, directly or indirectly, by financial services firms which

operate and/or are licensed in the relevant jurisdiction. As a result of the increased number of bank failures, in particular since the fall of 2008, the Issuer expects that levies in the industry will continue to rise as a result of the Compensation Schemes. In particular, the Issuer is a participant in the Deposit Guarantee Scheme, which guarantees an amount of EUR 100,000 per person per bank (regardless of the number of accounts held). The costs involved with making compensation payments under the Deposit Guarantee Scheme are allocated among the participating banks by DNB, based on an allocation key related to their market shares with respect to the deposits protected by the Deposit Guarantee Scheme. The ultimate costs to the industry of payments which may become due under the Compensation Schemes remain uncertain although they may be significant and the associated costs to the Issuer may have a material adverse effect on its business, results of operations, financial condition and prospects. The costs associated with the euro area wide-deposit insurance scheme are currently unknown and may be significant. As of 26 November 2015, the Deposit Guarantee Scheme has changed from an ex-post scheme, where the Issuer contributes after the failure of a firm, to an ex-ante scheme where the Issuer and other financial institutions will pay risk-weighted contributions into a fund to cover future drawings under the Deposit Guarantee Scheme. The fund is expected to grow to a target size of 0.8 per cent. of all deposits guaranteed under the Deposit Guarantee Scheme, approximately EUR 4 billion at present. The target size should be reached by 3 July 2024. The costs associated with potential future ex-ante contributions may vary from time to time, and will depend on the methodology used to calculate risk-weighting, but may be significant.

In addition to the Deposit Guarantee Scheme, the Issuer is required to contribute mandatorily to a Single Resolution Fund. The Single Resolution Fund is financed by ex-ante individual contributions from banks, such as the Issuer. These contributions are calculated on the basis of each bank's liabilities compared (excluding own funds and covered deposits), and adjusted for risk. The Single Resolution Fund is built up over a period of eight years to reach the target level of at least 1 per cent. of the amount of covered deposits of all banks authorised in all member states participating in the SRM by 31 December 2023. The ultimate costs to the industry of payments under the Single Resolution Fund may be significant and these and other associated costs to the Issuer may have a material adverse effect on its business, results of operations, financial condition and prospects.

The Issuer may be unable to manage its risks successfully through derivatives

The Issuer employs various economic hedging strategies with the objective of mitigating the market risks that are inherent in its business and operations. These risks may include currency fluctuations, changes in the fair value of its investments, the impact of interest rates, equity markets, credit spread changes and the occurrence of credit defaults. The Issuer seeks to control these risks by, among other things, entering into a number of derivative instruments, such as swaps, options, futures and forward contracts including from time to time macro hedges for parts of its business, either directly as a counterparty or as a credit support provider to affiliate parties.

Developing an effective strategy for dealing with these risks is complex, and no strategy can completely insulate the Issuer from risks associated with those fluctuations. The Issuer's hedging strategies also rely on assumptions and projections regarding its assets, liabilities, general market factors and the creditworthiness of its counterparties that may prove to be incorrect or prove to be inadequate. Accordingly, the Issuer's hedging activities may not have the desired beneficial impact on its results of operations or financial condition. Poorly designed strategies or improperly executed transactions could actually increase its risks and losses. Hedging instruments used by the Issuer to manage product and other risks might not perform as intended or expected, which could result in higher (un)realised losses such as credit value adjustment risks or unexpected profit and loss effects, and unanticipated cash needs to collateralise or settle such transactions. Adverse market conditions can limit the availability and increase the costs of hedging instruments, and such costs may not be recovered in the pricing of the underlying products being hedged. In addition, hedging counterparties may fail to perform their obligations resulting in unhedged exposures and losses on positions that are not collateralised. As such, the Issuer's hedging strategies involve transaction costs and other costs, and if the Issuer terminates a hedging arrangement, it may also be required to pay additional costs, such as transaction fees or breakage costs. It is possible that there will be periods in the future, during which the Issuer has incurred or may incur losses on transactions, perhaps significant, after taking into account the Issuer's hedging strategies. Further, the nature and timing of the Issuer's hedging transactions could actually increase its risk and losses. In addition, hedging strategies involve transaction costs and other costs. The Issuer's hedging strategies and the derivatives that the Issuer uses and may use may not adequately mitigate or offset the risk of interest rate volatility, and its hedging transactions may result in losses.

The Issuer's hedging strategy additionally relies on the assumption that hedging counterparties remain able and willing to provide the hedges required by its strategy. Increased regulation, market shocks, worsening market

conditions, and/or other factors that affect or are perceived to affect the financial condition, liquidity and creditworthiness of the Issuer may reduce the ability and/or willingness of such counterparties to engage in hedging contracts with it and/or other parties, affecting the Issuer's overall ability to hedge its risks and adversely affecting its business, financial condition, results of operations, liquidity and/or prospects.

The Issuer may be unable to retain key personnel

The success of the Issuer's operations is dependent, among other things, on the Issuer's ability to attract and retain highly qualified professional personnel. The Issuer's ability to attract and retain key personnel is dependent on a number of factors, including reputation, prevailing market conditions and compensation packages offered by companies competing for the same talent.

As a part of the responses of the European Commission and governments throughout Europe to the financial crisis in 2008, there have been and will be various legislative initiatives, including those set out in Directive 2013/36/EU, the Guidelines on sound remuneration policies under Articles 74(3) and 75(2) of Directive 2013/36/EU and disclosures under Article 450 of Regulation (EU) No 575/2013 of the EBA and the Regulation of DNB on Sound Remuneration Policies (*Regeling beheerst beloningsbeleid Wft 2014*) which has most recently been revised as at 8 December 2017 (*Regeling beheerst beloningsbeleid Wft 2017*). Further to that, the Dutch Act on remuneration policy for financial enterprises (*Wet beloningsbeleid financiële ondernemingen*) has been enacted to ensure that financial institutions' remuneration policies and practices are consistent with and promote sound and effective risk management, and that impose restrictions on the remuneration of personnel, with a focus on risk alignment of performance-related remuneration. These restrictions have had and will have an impact on the Issuer's existing remuneration policies and individual remuneration packages of personnel.

These restrictions, alone or in combination with the other factors described above, could adversely affect the Issuer's ability to retain or attract qualified employees.

The Issuer's risk management policies and guidelines may prove inadequate for the risks it faces

The Issuer has developed risk management policies and procedures and the Issuer expects to continue to do so in the future. Nonetheless, the Issuer's policies and procedures to identify, monitor and manage risks may not be fully effective, particularly during extremely turbulent times. The methods the Issuer uses to manage, estimate and measure risk are partly based on historic market behaviour. The methods may, therefore, prove to be inadequate for predicting future risk exposure, which may be significantly greater than what is suggested by historic experience. For instance, these methods may not predict the losses seen in the stressed conditions in recent periods, and may also not adequately allow prediction of circumstances arising due to the government interventions, stimulus and/or austerity packages, which increase the difficulty of evaluating risks. Other methods for risk management are based on evaluation of information regarding markets, clients or other information that is publicly known or otherwise available to the Issuer. Such information may not always be correct, complete, updated or correctly evaluated.

Because the Issuer is continuously developing new financial products and entering into financial transactions, it might be faced with claims that could have an adverse effect on its operations and net result if clients' expectations are not met

If new financial products are brought to the market, communication and marketing aims to present a balanced view of the product (however there is a focus on potential advantages for the clients). Whilst the Issuer engages in a due diligence process when it develops financial products and enters into financial transactions, if such products or transactions do not generate the expected profit for the Issuer's clients, or result in a loss, or otherwise do not meet expectations, clients may file mis-selling claims against the Issuer. Mis-selling claims are claims from clients who allege that they have received misleading advice or other information from either the Issuer's internal, affiliated or external advisors (even though the Issuer does not always have full control over the affiliated or external advisors). Complaints may also arise if clients feel that they have not been treated reasonably or fairly, or that the duty of care has not been complied with. While a considerable amount of time and money has been invested in reviewing and assessing historic sales and "know your customer" practices, and in the maintenance of risk management, legal and compliance procedures to monitor current sales practices, there can be no assurance that all of the issues associated with current and historic sales practices have been or will be identified, nor that any issues already identified will not be more widespread than presently estimated. The negative publicity associated with any sales practices, any compensation payable in respect of any such issues and/or regulatory changes resulting from such issues could have a material adverse effect on the Issuer's reputation, operations and net result. See also risk factor below '*The Issuer's business may be negatively affected*

by adverse publicity, regulatory actions or litigation with respect to such business, other well-known companies or the financial services industry in general".

Customer protection regulations as well as changes in interpretation and perception by both the public at large and governmental authorities of acceptable market practices might influence client expectations.

Because the Issuer does business with many counterparties, the inability of these counterparties to meet their financial obligations could have a material adverse effect on its results of operations

Third parties that owe the Issuer money, securities or other assets may not pay or perform under their obligations. These parties include the issuers and guarantors (including sovereigns) of securities the Issuer holds, borrowers under loans originated, clients, trading counterparties, counterparties under swaps, credit default and other derivative contracts, clearing agents, exchanges, clearing houses, securities depositaries and other financial intermediaries. Severe distress or defaults by one or more of these parties on their obligations to the Issuer due to fraud, bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure, etc., or even rumours about potential severe distress or defaults by one or more of these parties or regarding the financial services industry generally, could lead to losses for the Issuer, and defaults by other institutions. In light of experiences with significant constraints on liquidity and high cost of funds in the interbank lending market, and given the high level of interdependence between financial institutions, the Issuer is and will continue to be subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of sovereigns and other financial services institutions.

The Issuer routinely executes a high volume of transactions with counterparties in the financial services industry, resulting in large daily settlement amounts and significant credit and counterparty exposure. As a result, the Issuer faces concentration risk with respect to specific counterparties and clients. The Issuer is exposed to increased counterparty risk as a result of recent financial institution failures and weakness and will continue to be exposed to the risk of loss if counterparty financial institutions fail or are otherwise unable to meet their obligations. A default by, or even concerns about the creditworthiness of, one or more financial institutions could therefore lead to further significant systemic liquidity problems, or losses or defaults by other financial institutions.

While in many cases the Issuer is permitted to require additional collateral from counterparties that experience financial difficulty, disputes may arise as to the amount of collateral it is entitled to receive and the value of pledged assets. With respect to secured transactions, the Issuer's credit risk may be exacerbated when the collateral held by the Issuer cannot be realised, or is liquidated at prices not sufficient to recover the full amount of the relevant secured loan or secured derivative that is due to the Issuer, which is most likely to occur during periods of illiquidity and depressed asset valuations, such as those experienced during the recent financial crisis. The termination of contracts and the foreclosure on collateral may subject the Issuer to claims for the improper exercise of its rights under such contracts. Bankruptcies, downgrades and disputes with counterparties as to the valuation of collateral tend to increase in times of market stress and illiquidity. The Issuer has credit and counterparty exposure to a number of financial institutions.

In addition, the Issuer is subject to the risk that its rights against third parties may not be enforceable in all circumstances. The deterioration or perceived deterioration in the credit quality of third parties whose securities or obligations the Issuer holds could result in losses and/or adversely affect its ability to re-hypothecate or otherwise use those securities or obligations for liquidity purposes. A significant downgrade in the credit ratings of the Issuer's counterparties could also have a negative impact on its income and risk weighting, leading to increased capital requirements.

Any of these developments or losses could materially and adversely affect the Issuer's business, financial condition, results of operations, liquidity and/or prospects.

Ratings are important to the Issuer's business for a number of reasons. Downgrades could have an adverse impact on its operations and net results

Credit ratings represent the opinions of rating agencies regarding an entity's ability to repay its indebtedness. The Issuer's credit ratings are important to its ability to raise capital through the issuance of debt instruments and to the cost of such financing. In the event of a downgrade the cost of issuing debt will increase, having an adverse effect on net results. Certain institutional investors may also be obliged to withdraw their deposits or investments in such debt instruments from the Issuer following a downgrade, which could have an adverse effect on liquidity.

The Issuer has credit ratings from S&P and Fitch. Each of the rating agencies reviews its ratings and rating methodologies on a recurring basis and may decide on a downgrade at any time.

Furthermore, the Issuer's assets are risk weighted. Downgrades of these assets could result in a higher risk weighting which may result in higher capital requirements. This may impact net earnings and the return on capital, and may have an adverse impact on the Issuer's competitive position.

As rating agencies continue to evaluate the financial services industry, it is possible that rating agencies will heighten the level of scrutiny that they apply to financial institutions, increase the frequency and scope of their credit reviews, request additional information from the companies that they rate and potentially adjust upward the capital and other requirements employed in the rating agency models for maintenance of certain ratings levels. It is possible that the outcome of any such review of the Issuer would have additional adverse ratings consequences, which could have a material adverse effect on the Issuer's results of operations, financial condition and liquidity. The Issuer may need to take actions in response to changing standards set by any of the rating agencies which could cause its business and operations to suffer. The Issuer cannot predict what additional actions rating agencies may take, or what actions the Issuer may take in response to the actions of rating agencies. A downgrade of the Issuer could result in a downgrade of the Notes, if such Notes are rated.

The Issuer's business may be negatively affected by a sustained increase in inflation

A sustained increase in the inflation rate in the Issuer's principal markets would have multiple impacts on the Issuer and may negatively affect its business, solvency position and results of operations. For example, a sustained increase in the inflation rate may result in an increase in market interest rates which may:

1. decrease the estimated fair value of certain fixed income securities the Issuer holds in its investment portfolios resulting in:
 - reduced levels of unrealised capital gains available to it which could negatively impact its solvency position and net income; and/or
 - a decrease of collateral values; and/or
2. require the Issuer, as an issuer of securities, to pay higher interest rates on debt securities it issues in the financial markets from time to time to finance its operations which would increase its interest expenses and reduce its results of operations.

A significant and sustained increase in inflation has historically also been associated with decreased prices for equity securities and sluggish performance of equity markets generally. A sustained decline in equity markets may:

1. result in impairment charges to equity securities that the Issuer holds in its investment portfolios and reduced levels of unrealised capital gains available to it which would reduce its net income and negatively impact its solvency position; and/or
2. negatively impact the ability of the Issuer's asset management activities to retain and attract assets under management, as well as the value of assets they do manage, which may negatively impact their results of operations.

The Issuer's business may be negatively affected by adverse publicity, regulatory actions or litigation with respect to such business, other well-known companies or the financial services industry in general

Adverse publicity and damage to the Issuer's reputation arising from its failure or perceived failure to comply with legal and regulatory requirements, financial reporting irregularities involving other large and well-known companies, increasing regulatory and law enforcement scrutiny of "know your customer", anti-money laundering, prohibited transactions with countries subject to sanctions, and anti-bribery or other anti-corruption measures and anti-terrorist-financing procedures and their effectiveness, regulatory investigations of the financial services industry, and litigation that arises from the failure or perceived failure by the Issuer to comply with legal, regulatory and compliance requirements, could result in adverse publicity and reputation harm, lead to increased regulatory supervision, affect the Issuer's ability to attract and retain clients, reduced access to the capital markets, result in cease and desist orders, suits, enforcement actions, fines and civil and criminal penalties, other disciplinary action or have other material adverse effects on the Issuer in ways that are not predictable.

The above factors may have an adverse effect on the Issuer's business, financial condition and/or results of operations.

The Issuer is subject to changes in financial reporting standards or policies which could materially adversely affect the Issuer's reported results of operations and financial condition

The Issuer's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union ("**IFRS**"), which is periodically revised or expanded. Accordingly, from time to time the Issuer is required to adopt new or revised accounting standards issued by recognised bodies, including the International Accounting Standards Board ("**IASB**"). It is possible that future accounting standards which the Issuer is required to adopt, or as a result of choices made by the Issuer, could change the current accounting treatment that applies to its consolidated financial statements and that such changes could have a material adverse effect on the Issuer's reported results of operations and financial condition and may have a corresponding impact on capital ratios.

The IASB issued in July 2014 a new accounting standard for financial instruments also known as IFRS 9 'Financial Instruments'. IFRS 9, which was endorsed by the EU in November 2016, has replaced IAS 39 for annual periods beginning on or after 1 January 2018, with early adoption permitted. Such changes could have an impact on the Issuer's reported results and financial condition, as well as how the Issuer manages its business, internal controls and disclosure.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH THE NOTES

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:

Liquidity risks in the secondary market

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. Liquidity could be affected by a number of factors, including the introduction of a financial transactions tax. 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 will generally 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.

The secondary markets may experience severe disruptions resulting from reduced investor demand for securities such as the Notes and increased investor yield requirements for those securities. As a result, the secondary market for securities such as the Notes may experience limited liquidity or a secondary market may not develop at all. These conditions and their adverse effects may vary in the future.

Limited liquidity in the secondary market for securities has had a severe adverse effect on the market value of securities. Limited liquidity in the secondary market may continue to have a severe adverse effect on the market value of securities, especially those securities that are more sensitive to currency, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors. Consequently, an investor in the Notes may not be able to sell its Notes readily. The market values of the Notes are likely to fluctuate and may be difficult to determine. Any of these fluctuations may be significant and could result in significant losses to such investor.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the currency specified in the applicable Final Terms (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 change significantly (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 (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) 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 (such as, but not limited to, requirements concerning the transfer or conversion of assets held in a specific state) 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 rating risks

Credit or corporate ratings may not reflect all risks and the methodologies of determining credit ratings may be changed from time to time leading to potential downgrades. One or more independent rating agencies may assign ratings to the Notes and/or the Issuer, both on request and unsolicited. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this paragraph, and other factors that may affect the value of the Notes or the standing of the Issuer. A credit rating and/or a corporate rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn by the relevant rating agency if, in its judgment, circumstances in the future so warrant.

Such change may, among other factors, be due to a change in the methodology applied by a rating agency to rating securities with similar structures to the Notes, as opposed to any revaluation of the Issuer's financial strength or other factors such as conditions affecting the financial services industry generally. Noteholders and prospective investors should be aware that such a change in the methodology of a rating agency could result in certain series of Notes being downgraded, potentially to noninvestment grade (if the relevant Notes are issued before the new methodology is applied by a rating agency to such Notes) or receiving a lower rating than that is currently or at the time of the offering of the relevant Notes expected from that rating agency (if the relevant Notes are issued after the new methodology is applied by that rating agency to such Notes). In addition, a downgrading of the Issuer's credit ratings, as a result of a change in rating methodology or otherwise, could adversely affect the Issuer's access to liquidity alternatives and its competitive position, and could increase the cost of funding or trigger additional collateral requirements all of which could have a material adverse effect on the Issuer's results of operations.

In the event that a rating assigned to the Notes or the Issuer is subsequently lowered for any reason, the market value of the Notes is likely to be adversely affected, but no person or entity is obliged to provide any additional support or credit enhancement with respect to the Notes.

Risks related to the structure of a particular issue of Notes

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

Notes subject to optional redemption by the Issuer

The Final Terms of any issue of a Series of Notes under the Programme may specify that such Notes are subject to redemption at the option of the Issuer, for example related to certain tax events as further described in Condition 7 (*Redemption and Purchase*) of the Terms and Conditions of the Notes. An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes or the perceived likelihood of its ability to redeem is increased, 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.

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

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

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

The sustainability of LIBOR has been questioned by the UK Financial Conduct Authority as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of regulatory reforms) for market participants to continue contributing to such benchmarks. Additionally, in March 2017, the EMMI published a position paper referring to certain proposed reforms to EURIBOR, which reforms aim to clarify the EURIBOR specification, to develop a transaction-based methodology for EURIBOR and to align the relevant methodology with the Benchmark Regulation, the IOSCO Principles for Financial Benchmarks and other regulatory recommendations. The EMMI has since indicated that there has been a "change in market activity as a result of the current regulatory requirements and a negative interest rate environment" and "under the current market conditions it will not be feasible to evolve the current EURIBOR methodology to a fully transaction-based methodology following a seamless transition path". It is the current intention of the EMMI to develop a hybrid methodology for EURIBOR.

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

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

Investors should be aware that, if LIBOR or EURIBOR (or any other Original Reference Rate) were unavailable, the rate of interest on the Notes which reference LIBOR or EURIBOR (or any other Original Reference Rate) will be determined for the relevant period by the fall-back provisions applicable to such Notes. Depending on the manner in which the LIBOR or EURIBOR rate (or any other Original Reference Rate) is to be determined under the Terms and Conditions, this may (i) if ISDA Determination applies, be reliant upon the provision by reference banks of offered quotations for the LIBOR or EURIBOR rate (or any other Original Reference Rate) which, depending on market circumstances, may not be available at the relevant time or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR or EURIBOR (or any other Original Reference Rate) was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Notes which reference LIBOR or EURIBOR (or any other Original Reference Rate).

If LIBOR or EURIBOR (or any other Original Reference Rate) is permanently discontinued, the Issuer may, after using reasonable endeavours to appoint and consult with an Independent Adviser, determine a Successor Rate or Alternative Rate to be used in place of LIBOR or EURIBOR (or such other Original Reference Rate) where LIBOR or EURIBOR (or such other Original Reference Rate) has been selected as the Reference Rate to determine the Rate of Interest.

The use of any such Successor Rate or Alternative Rate to determine the Rate of Interest may result in Notes linked to or referencing LIBOR or EURIBOR (or such other Original Reference Rate) performing differently (including paying a lower Rate of Interest) than they would do if LIBOR or EURIBOR (or such other Original Reference Rate) were to continue to apply in its current form.

Furthermore, if a Successor Rate or Alternative Rate for LIBOR or EURIBOR (or any other Original Reference Rate) is determined by the Issuer, the Conditions provide that the Issuer may vary the Conditions, as necessary to ensure the proper operation of such Successor Rate or Alternative Rate, without any requirement for consent or approval of the Noteholders or any Couponholders.

If a Successor Rate or Alternative Rate is determined by the Issuer, the Conditions also provide that an Adjustment Spread may be determined by the Issuer to be applied to such Successor Rate or Alternative Rate. The aim of the Adjustment Spread is to reduce or eliminate, so far as is practicable, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of LIBOR or EURIBOR (or any other Original Reference Rate) with the Successor Rate or the Alternative Rate.

Under the Benchmark Regulation, it is possible that (i) the Successor Rate or the Alternative Rate and/or the Adjustment Spread may itself qualify (or be regarded by a supervisor as qualifying) as a benchmark and/or (ii) the Issuer in determining the Successor Rate or the Alternative Rate and/or the Adjustment Spread may itself qualify (or be regarded by a supervisor as qualifying), as a benchmark administrator. In that case the above applies *mutatis mutandis*, which means among other things that (i) the Successor Rate or the Alternative Rate and/or the Adjustment Spread needs to meet the requirements of the Benchmark Regulation and/or (ii) the Issuer may need to be authorised or registered as a benchmark administrator at such time, which may cause delays in applying, or impossibility to apply, the Successor Rate or the Alternative Rate and/or the Adjustment Spread.

However, there is no guarantee that such an Adjustment Spread will be determined or applied, or that the application of an Adjustment Spread will either reduce or eliminate economic prejudice to Noteholders and Couponholders. If no Adjustment Spread is determined, a Successor Rate or Alternative Rate may nonetheless be used to determine the Rate of Interest.

In addition, if LIBOR or EURIBOR (or any other Original Reference Rate) is discontinued permanently, and the Issuer, for any reason, is unable to determine any of the Successor Rate or Alternative Rate, or if LIBOR or EURIBOR (or any other Original Reference Rate) is otherwise unavailable, the Rate of Interest may revert to the Rate of Interest applicable as at the last preceding Interest Determination Date before LIBOR or EURIBOR (or such other Original Reference Rate) was discontinued or was unavailable, as the case may be, and such Rate of Interest will continue to apply until maturity.

Uncertainty as to the continuation of a benchmark, the availability of quotes from reference banks to allow for the continuation of the floating rate or certain reset rates on any Notes, and the rate that would be applicable if the relevant benchmark is discontinued may adversely affect the trading market and the value of the Notes. At this time, it is not possible to predict what the effect of these developments will be or what the impact on the value of the Notes will be. More generally, any of the above changes or any other consequential changes to LIBOR, EURIBOR or any other "benchmark" as a result of international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes, could have a material adverse effect on the liquidity and value of, and return on, any Notes based on or linked to a "benchmark".

The Issuer's obligations under Subordinated Notes are subordinated

The Issuer may issue Notes which are subordinated to the extent described in Condition 3 (*Status and Characteristics relating to Subordinated Notes*) of the Terms and Conditions of the Notes.

Any such Subordinated Notes will constitute unsecured and subordinated obligations of the Issuer and rank (i) *pari passu* without any preference among themselves and with all other present and future unsecured and subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law or those subordinated obligations expressed by their terms to rank either in priority to or junior to the Subordinated Notes and (ii) junior to those subordinated obligations preferred by mandatory provisions of law or those subordinated obligations expressed by their terms to rank in priority to the Subordinated Notes.

As a result, in the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium (as defined in Condition 3 (*Status and Characteristics relating to Subordinated Notes*)) of the Terms and Conditions of the Notes with respect to the Issuer, the claims of holders of Subordinated Notes ("**Subordinated Noteholders**") against the Issuer will be subordinated to (a) the claims of depositors (other than in respect of those whose deposits are expressed by their terms to rank equally to or lower than the Subordinated Notes) (b) unsubordinated claims with respect to the repayment of borrowed money, (c) other unsubordinated claims and

(d) subordinated claims expressed by their terms to rank in priority to the Subordinated Notes. By virtue of such subordination, payments to a Subordinated Noteholder will, in the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium with respect to the Issuer, only be made after all obligations of the Issuer resulting from deposits (other than in respect of those whose deposits are expressed by their terms to rank equally to or lower than the Subordinated Notes), unsubordinated claims with respect to the repayment of borrowed money, other unsubordinated claims and subordinated claims expressed by their terms to rank in priority to the Subordinated Notes have been satisfied in full. In addition, any right of set-off or netting by a Subordinated Noteholder in respect of any amount owed to such Subordinated Noteholder by the Issuer under or in connection with such Note, Receipt or Coupon shall be excluded.

A Subordinated Noteholder may therefore recover less than the holders of deposit liabilities or the holders of other unsubordinated or subordinated liabilities of the Issuer. Furthermore, the Terms and Conditions of the Notes do not limit the amount of the liabilities ranking senior to any Subordinated Notes which may be incurred or assumed by the Issuer from time to time, whether before or after the issue date of the relevant Subordinated Notes.

Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that an investor in Subordinated Notes will lose all or some of his investment should the Issuer become insolvent. See also the risk factors under '*Redemption risk in respect of Subordinated Notes*' and '*Intervention and resolution powers under the Wft, the BRRD and the SRM*'.

Limited rights in respect of Tier 2 Notes

The rights of Tier 2 Notes (as defined in the Terms and Conditions of the Notes) are limited in certain respects. In particular, (i) redemption pursuant to Conditions 7(b) (*Redemption for Tax Reasons*), 7(c) (*Redemption at the Option of the Issuer (Issuer Call Option)*) and 7(m) (*Redemption for regulatory reasons of Subordinated Notes*) of the Terms and Conditions of the Notes may only be effected after the Issuer has obtained the written permission of the Competent Authority (meaning DNB and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer, as determined by the Issuer), and (ii) the Issuer may be required to obtain the prior written permission of the Competent Authority before effecting any repayment of Tier 2 Notes following an Event of Default. See Condition 10 (*Events of Default*) of the Terms and Conditions of the Notes.

Subordinated Noteholders will only have limited rights to accelerate repayment of the principal amount of Subordinated Notes. See Condition 10 (*Events of Default*) of the Terms and Conditions of the Notes, which limits the events of default to (i) the Issuer being declared bankrupt, or a declaration in respect of the Issuer being made under article 3:163(1)(b) of the Wft and (ii) an order being made or an effective resolution being passed for the winding up or liquidation of the Issuer (unless this is done in connection with a merger, consolidation or other form of combination with another company and such company assumes all obligations contracted by the Issuer in connection with the Subordinated Notes). Accordingly, if the Issuer fails to meet any interest payment or other obligation under the Subordinated Notes, such failure will not give the Subordinated Noteholders any right to accelerate repayment of the principal amount of the Subordinated Notes.

Redemption risk in respect of Subordinated Notes (including Tier 2 Notes)

If Regulatory Call is specified in the applicable Final Terms, such Series of Tier 2 Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time at their Early Redemption Amount specified in the applicable Final Terms, together with (if appropriate) interest accrued to (but excluding) the date of redemption, upon the occurrence of a Regulatory Event, subject to (i) the prior written permission of the Competent Authority provided that, at the relevant time, such permission is required to be given pursuant to article 77 CRD IV Regulation and (ii) the Issuer demonstrating to the satisfaction of the Competent Authority that the Issuer complies with article 78 CRD IV Regulation, which may include requiring the replacement of the Subordinated Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer.

A "**Regulatory Event**" shall occur if there is a change in the regulatory classification of a Series of Subordinated Notes that has resulted or would be likely to result in such Subordinated Notes being excluded, in whole, or, if permitted by the Applicable Capital Adequacy Regulations, in part, from the Tier 2 capital (within the meaning of the Applicable Capital Adequacy Regulations) of the Issuer, which change in regulatory classification (or reclassification) (i) becomes effective on or after the Issue Date and, if redeemed within five years after the Issue

Date, (ii) is considered by the Competent Authority to be sufficiently certain and (iii) the Issuer has demonstrated to the satisfaction of the Competent Authority was not reasonably foreseeable at the time of their issuance as required by article 78(4) CRD IV Regulation.

"Applicable Capital Adequacy Regulations" means (i) the capital adequacy regulations or any other regulatory capital rules applicable to the Issuer from time to time pursuant to Dutch law and/or the laws of any other relevant jurisdiction and which lay down the requirements to be satisfied by financial instruments to qualify as regulatory capital (or any equivalent terminology employed by the Applicable Capital Adequacy Regulations), including CRD IV and/or (ii) regulatory rules relating to the technical facilities and/or statutory liquidity requirements or any other capital adequacy regulations applicable to the Issuer from time to time pursuant to Dutch law and/or the laws of any other relevant jurisdiction, each as applied and construed by the Competent Authority and applicable to the Issuer.

An optional redemption feature of Subordinated Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Subordinated Notes or the perceived likelihood of its ability to redeem is increased, the market value of those Subordinated 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.

There is substitution or variation risk in respect of certain Series of Subordinated Notes

If substitution or variation is specified in the applicable Final Terms and if a CRD IV Capital Event or a Regulatory Event has occurred and is continuing, then the Issuer may, subject to the prior written permission of the Competent Authority if required at the relevant time (but without any requirement for the consent or approval of the Subordinated Noteholders), substitute the Subordinated Notes or vary the terms of the Subordinated Notes in order to ensure that they remain or, as appropriate, become compliant with CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time. The terms and conditions of such varied or substituted Subordinated Notes may have terms and conditions that contain one or more provisions that are substantially different from the terms and conditions of the original Subordinated Notes. However, the Issuer cannot make changes to the terms of the Subordinated Notes or substitute the Subordinated Notes for securities that are materially less favourable to the Subordinated Noteholders. Following such variation or substitution the resulting securities must have at least, *inter alia*, the same ranking, interest rate, maturity date, redemption rights, existing rights to accrued interest which has not been paid and assigned the same ratings as the Subordinated Notes. Nonetheless, no assurance can be given as to whether any of these changes will negatively affect any particular Subordinated Noteholder. In addition, the tax and stamp duty consequences of holding such varied or substituted Notes could be different for some categories of Subordinated Noteholders from the tax and stamp duty consequences of their holding the Subordinated Notes prior to such substitution or variation. See Condition 7(m) of the Terms and Conditions of the Notes for further details. For risks in relation to substitution of the Issuer, please see the risk factor '*Modification, waivers and substitution*'.

No limitation to issue senior or pari passu ranking Notes

The Terms and Conditions of the Notes do not restrict the amount of securities which the Issuer may issue and which rank senior or *pari passu* in priority of payments with the Subordinated Notes. The issue of any such securities may reduce the amount recoverable by Subordinated Noteholders on a winding-up of the Issuer. Accordingly, in the winding-up of the Issuer and after payment of the claims of senior creditors and of depositors, there may not be a sufficient amount to satisfy the amounts owing to the Subordinated Noteholders.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate 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, 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, the fixed rate may be lower than then prevailing rates on its Notes.

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

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

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 in the Note under which such investor so failed to pay.

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.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount, such as Zero Coupon Notes, 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.

Other potential conflicts of interest

Where the Issuer acts as Calculation Agent or the Calculation Agent is an Affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Notes that may influence the amount receivable or specified assets deliverable on redemption of the Notes.

The Issuer and/or any of its Affiliates may have existing or future business relationships and will pursue actions and take steps that they or it deems necessary or appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Noteholder.

Risks related to Notes generally

The Notes may not be a suitable investment for all investors

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

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus and any applicable supplement hereto;
- (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 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 (including the risks associated therewith) as such investor is more vulnerable to any fluctuations in the financial markets generally; 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.

A prospective investor should conduct its own thorough analysis (including its own accounting, financial, legal and tax analysis) prior to deciding whether to invest in the Notes. Any evaluation of the suitability for an investor of an investment in the Notes depends upon a prospective investor's particular financial and other circumstances, as well as on the specific terms of the Notes. If a prospective investor does not have experience in financial, business and investment matters sufficient to permit it to make such a determination, the investor should consult with its authorised and suitable financial adviser prior to deciding to make an investment as to the suitability of the Notes.

Modification, waivers and substitution

The Terms and 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/or vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes provide that the Agent and Issuer may agree, without the consent of the Noteholders, Receipholders or Couponholders, to (i) any modification (not being a modification requiring the approval of a meeting of Noteholders, Receipholders or Couponholders) of the Agency Agreement which is not materially prejudicial to the interests of the Noteholders, (ii) 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 of the Netherlands or (iii) in accordance with Condition 7(m), substitution of the Subordinated Notes or variation of the terms of the Subordinated Notes in order to ensure that such substituted or varied Subordinated Notes continue to qualify as Tier 2 Notes under CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time.

Furthermore, if so specified in the applicable Final Terms and subject to certain conditions as described in Condition 17 of the Notes, the Issuer may, with the consent of the Noteholders or Couponholders which will be deemed to have been given in respect of each issue of Notes on which no payment of principal or interest is in default and (in the case of Tier 2 Notes) after written permission of the Competent Authority to the extent required pursuant to the Applicable Capital Adequacy Regulations, be replaced and substituted by any directly or indirectly wholly owned subsidiary of the Issuer or Van Lanschot Kempen N.V. (or any successor parent company of the Issuer) (the "**Substituted Debtor**") as principal debtor in respect of the Notes and the relative Receipts and Coupons. If the Substituted Debtor substituted is a directly or indirectly wholly owned subsidiary of the Issuer, the obligations of such Substituted Debtor in respect of the Notes will be guaranteed by the Issuer. However, if the Substituted Debtor is Van Lanschot Kempen N.V. (or any successor parent company of the Issuer), then the obligations of such Substituted Debtor will not be guaranteed by the Issuer. Van Lanschot Kempen N.V. (or any successor parent company of the Issuer) is a holding company with no material, direct business operations and its principal assets are the equity interests it directly or indirectly holds in the Issuer. As a result, Van Lanschot Kempen N.V. (or any successor parent company of the Issuer) is dependent on loans, dividends and other payments from the Issuer to generate the funds necessary to meet its financial obligations, including the payment of dividends and payment of principal and interest on the Notes as Substituted Debtor. The ability of the Issuer to make such distributions and other payments depends on their earnings and may be subject to statutory, legal, regulatory or contractual limitations. As an equity investor in the Issuer, Van Lanschot Kempen N.V.'s (or any successor parent company of the Issuer) right to receive assets upon their liquidation or reorganisation will be effectively subordinated to the claims of creditors of its subsidiaries. To the extent that Van Lanschot Kempen N.V.'s (or any successor parent company of the Issuer) is recognised as a creditor of the Issuer, Van Lanschot Kempen N.V.'s (or any successor parent company of the Issuer) claims may still be subordinated to any security interest in, or other lien on, their assets and to any of their debt or other obligations that are senior to Van Lanschot Kempen N.V.'s (or any successor parent company of the Issuer) claims. Finally, if the Issuer is replaced and substituted by Van Lanschot Kempen N.V., which is currently not rated by a credit rating agency, (or any successor parent company of the Issuer) as Substituted Debtor, this is likely to result in a

rating action undertaken by the credit rating agencies on the rating of such Notes, such as a withdrawal or downgrade of such rating.

Tax consequences of holding the Notes

Any potential investor should consult its own independent tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes in its particular circumstances. See also the sections '*Netherlands Taxation*', '*Belgium Taxation*' and '*Luxembourg Taxation*'.

Notes held in global form

In relation to any issue of Notes which have a denomination of €100,000 (in such case defined as the minimum "**Specified Denomination**") plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €100,000 (or its equivalent in any other currency) that are not integral multiples of €100,000 (or its equivalent in any other currency). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination (a "**Stub Amount**") 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. As long as the Stub Amount is held in the relevant settlement system, the Noteholder will be unable to transfer this Stub Amount.

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, Euroclear Netherlands and/or any other applicable settlement institution, as the case may be. Delivery (*uitlevering*) of definitive Notes represented by a Global Note deposited with Euroclear Netherlands shall only be possible in the limited circumstances as described in the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*, "**Wge**") (as amended from time to time) and such delivery will be made in accordance with the Wge and the rules and regulations of Euroclear Netherlands.

Notes in New Global Note form

The New Global Note ("**NGN**") form has been introduced to allow for the possibility of debt instruments being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the euro (the "**Eurosystem**") and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. However, in any particular case, such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time. Investors should make their own assessment as to whether the Notes meet such Eurosystem eligibility criteria.

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 (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) 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.

Change of law

The conditions of the Notes are based on Dutch law in effect at the date of this Base Prospectus, as supplemented. No assurance can be given as to the impact of any possible judicial decision or change to Dutch, European or any other applicable laws, regulations or administrative practices as of the date of this Base Prospectus. Such changes in laws may include, but are not limited to, amendments to a variety of statutory resolution and loss-absorption tools which may affect the rights of holders of securities issued by the Issuer, including the Notes, or requirements with respect to the minimum levels of own funds and eligible liabilities to be maintained by the Issuer. See also the risk factor entitled '*Intervention and resolution powers under the Wft, the BRRD and the SRM*' and '*Minimum requirement for own funds and eligible liabilities under the SRM Regulation and the BRRD*'.

Recently announced tax initiatives of newly elected Dutch government

On 10 October 2017, the four parties that have formed the new Dutch government released their coalition agreement (*regeerakkoord*) 2017-2021 (the "**Coalition Agreement**"). The Coalition Agreement does not include concrete legislative proposals, but instead sets out a large number of policy intentions of the new Dutch

government. On 23 February 2018, the Dutch State Secretary of Finance published a letter with an annex containing further details on the government's policy intentions (the "**2018 Policy Letter**").

One of the policy intentions is the introduction of a generic minimum capital rule (thin cap rule) for banks and insurance companies to limit the interest deduction on debt above 92 per cent. of the balance sheet total for accounting purposes as of 2020. Many aspects of this policy intention remain unclear, but if this rule is implemented in Dutch law it may have an adverse impact on the amount of interest that the Issuer can deduct for Dutch corporate income tax purposes and thus on its financial position.

A further policy intention described in the Coalition Agreement is the introduction of a withholding tax on interest payments made to beneficiaries in low-tax jurisdictions or non-cooperative jurisdictions as of 2021. The Coalition Agreement and the annex to the 2018 Policy Letter suggest that this interest withholding tax would apply to certain payments made by a Dutch entity directly or indirectly to a group entity in a low tax or non-cooperative jurisdiction. This intention was reconfirmed in the Tax Plan 2019 dated 18 September 2018 and in a letter of the Dutch State Secretary of Finance dated 15 October 2018. However, it cannot be ruled out that, contrary to the information publically available to date, it will have a wider application and, as such, it could potentially be applicable to payments under the Notes.

Please note that, if the policy intentions are implemented in such a way that the Issuer will become obliged to pay additional amounts as provided or referred to in Condition 8(b) or the Issuer will not obtain full or substantially full relief for the purposes of Dutch corporate income tax for any interest payable in respect of the Notes, the Issuer may redeem the Notes pursuant to its option under Condition 7(b) (*Redemption for Tax Reasons*).

Jurisdiction

Prospective investors should note that the courts of the Netherlands shall have jurisdiction in respect of any disputes involving any Series of Notes. Noteholders may take any suit, action or proceedings arising out of or in connection with the Notes against the Issuer in any court of competent jurisdiction. The laws of the Netherlands may be materially different from the equivalent law in the home jurisdiction of prospective investors in its application to the Notes and the application of the laws of the Netherlands may therefore lead to a different interpretation of, amongst others, the Terms and Conditions of the Notes than the investor may expect if the equivalent law of his home jurisdiction were applied.

In certain circumstances, the Issuer and the Noteholders may be subject to US withholding tax under FATCA Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") impose a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or "**FFI**" (as defined by FATCA)) that does not become a "**Participating FFI**" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States account" of the Issuer (a "**Recalcitrant Holder**"). The Issuer may be classified as an FFI.

The new withholding regime is now in effect for payments from sources within the United States and will apply to **foreign passthru payments** (a term not yet defined) no earlier than 1 January 2019.

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

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

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

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties has been accurately reproduced and does not omit anything likely which would render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly.

Application may be made for certain series of Notes to be listed on Euronext in Amsterdam, the Luxembourg Stock Exchange and/or any other stock exchange. 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 any Tranche (as defined below) of Notes will be set forth in the final terms (the "**Final Terms**") relating to such Tranche which will be filed with the AFM if required under the Prospectus Directive and, if required, will be delivered to Euronext Amsterdam, the Luxembourg Stock Exchange or any other stock exchange, and filed with the relevant competent authorities together with an issue specific summary (if required), on or before the date of issue of the Notes of such Tranche.

The AFM has approved this Base Prospectus in connection with the issue by the Issuer of Notes which are:

- (a) offered to the public in the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, whether or not such Notes are listed and admitted to trading on any platform; or
- (b) admitted to trading on any one or more regulated markets as defined under Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended, and as implemented in applicable law.

The Notes may be issued in any denominations as agreed between the Issuer and the relevant Dealer(s).

The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any regulated market in the European Economic Area and, where such Notes are, in addition, issued with a minimum denomination of at least EUR 100,000 (or its equivalent in any other currency) or otherwise fall within an exemption from the requirement to publish a prospectus under the Prospectus Directive. The AFM has neither approved nor reviewed information contained in this Base Prospectus in connection with the issue of any such exempt Notes.

The Programme provides that Notes may be listed on such other or further stock exchange or stock exchanges as may be agreed between the Issuer and the relevant Dealer.

If between the date of this Base Prospectus and the final closing of the relevant Public Offer (as defined on page 55 of this Base Prospectus) or, as the case may be, the time when trading of the Notes begins on Euronext in Amsterdam, the regulated market of the Luxembourg Stock Exchange or any other regulated market, a significant new factor, material mistake or inaccuracy arises or is noticed relating to information included in this Base Prospectus which is capable of affecting the assessment of the Notes, the Issuer will prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes subject to such Public Offer or, as the case may be, such admission to trading. Such a supplement will be approved by the AFM and published in accordance with applicable law. A notification will be provided to the competent authorities of the relevant Member States and ESMA. The summary, and any translations thereof required for the purpose of such Public Offer or, as the case may be, such admission to trading, will also be supplemented, if necessary, to take into account the new information included in the supplement.

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

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

Neither this Base Prospectus nor any Final Terms nor any other information supplied in connection with the Programme should be considered as a recommendation by the Issuer, the Arranger or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme should purchase any Notes. Accordingly, no representation, warranty or undertaking, expressly or implied, is made and no responsibility is accepted by the Arranger or by the Dealers or any of their respective affiliates in their capacity as such, as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by the Issuer.

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. Neither this Base Prospectus nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer, the Arranger or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall at any time imply that the information contained herein concerning the Issuer, is correct at any time subsequent to the date hereof or, as the case may be, the date upon which the Base Prospectus has been most recently amended or supplemented or the balance sheet date of the most recent financial statements deemed to be incorporated by reference into this Base Prospectus 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 Arranger and the Dealers 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 company and consolidated financial statements of the Issuer and any other relevant publicly available information when deciding whether to purchase any Notes.

Neither this Base Prospectus nor any part hereof constitutes an offer or an invitation 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 such an offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and any Final Terms and the offer or sale of Notes in certain jurisdictions may be restricted by law. The Issuer, the Arranger and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger or the Dealers which would permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with applicable laws and regulations. Persons into whose possession this Base Prospectus (or any part thereof) or any Notes come must inform themselves about, and observe, such restrictions. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the United Kingdom, the Netherlands and Japan (see the section '*Subscription and Sale*' below).

The Notes have not been approved or disapproved by the US Securities and Exchange Commission, any State Securities Commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Base Prospectus. Any representation to the contrary is unlawful.

In connection with the issue and distribution of Notes under the Programme, the Dealer who is specified in the applicable Final Terms as the Stabilising Manager (if applicable) (or any duly appointed person acting for the Stabilising Manager) in relation to the relevant series of Notes may over-allot Notes or effect transactions with a view to supporting the market price of the Notes of such series at a level higher than that which might otherwise prevail for a limited period. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Series of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the relevant issue date and 60 days after the date of the allotment of the Notes of such series. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) in accordance with all applicable laws and regulations.

The Issuer may, in its absolute discretion, perform market making activities as a liquidity provider in respect of certain series or tranches of Notes, provided, however, that the Issuer always undertakes to provide market making activities should any such activities be required under any applicable law or regulation.

All figures in this Base Prospectus have not been audited, unless stated otherwise. These figures are internal figures of the Issuer.

The Notes have not been and will not be registered under the Securities Act, and the Notes are subject to U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States or to U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act (see the section '*Subscription and Sale*' below).

MIFID II product governance / target market – The Final Terms in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

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

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or
- (ii) in the circumstances described under '*Public Offers of Public Offer Notes in the European Economic Area*' below.

If the Final Terms in respect of any Notes specifies the "Prohibition of Sales to Consumers in Belgium" as "Applicable", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any consumer within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht / Code de droit économique*) in Belgium.

See the section '*Subscription and Sale*' below for further information.

All references in this document to 'U.S. dollars', 'USD', 'U.S.\$' and '\$' refer to the currency of the United States of America, those to 'Japanese yen', 'JPY', 'yen' and '¥' refer to the currency of Japan, those to 'sterling', 'Stg£',

'GBP' or '£' refer to British pounds sterling and those to 'Euro', 'euro', 'EUR' and '€' refer to the lawful currency of the Member States of the European Union ("**Member States**") that have adopted the single currency pursuant to the Treaty on the Functioning of the European Union, as amended (the "**Treaty**"), 'AUD' and 'Australian dollars' to the currency of Australia, 'CAD', 'CA\$' and 'Canadian dollars' to the currency of Canada, 'HKD', 'HK\$' and 'Hong Kong dollar' to the currency of the special administrative region of Hong Kong, 'NZD', 'NZ\$' and 'New Zealand dollar' to the currency of New Zealand, and 'CHF' and 'Swiss franc' to the currency of Switzerland.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (a) an English translation of the Articles of Association (*statuten*) of the Issuer;
- (b) the Issuer's (at the time named F. van Lanschot Bankiers N.V.) publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2016 (including the independent auditor's report hereon) as included in the Issuer's annual report 2016 on page 74 to 207 and 239 to 245;
- (c) the Issuer's (at the time named F. van Lanschot Bankiers N.V.) publicly available audited consolidated financial statements as of and for the financial year ended 31 December 2017 (including the independent auditor's report hereon) as included in the Issuer's annual report 2017 on page 82 to 197 and 225 to 231;
- (d) the Issuer's publicly available unaudited consolidated interim (semi-annual) financial statements as of and for the period ended 30 June 2018 as included in the Issuer's financial report 2018 half-year results on page 25 to 59;
- (e) a press release of Van Lanschot Kempen N.V. dated 2 November 2018 entitled: *Van Lanschot Kempen trading update: third quarter 2018*;
- (f) a press release of Van Lanschot Kempen N.V. dated 12 December 2018 entitled: *Van Lanschot Kempen sells stake in AIO II pharmacy chain* (excluding the wording from, and including, "*Financial Calendar*"); and
- (g) the Terms and Conditions of the Notes contained in previous Base Prospectuses dated 8 January 2016, pages 72-106 (inclusive), 24 January 2017, pages 75-109 (inclusive), and 9 March 2018, pages 77-110, prepared by the Issuer in connection with the Programme.

Where only certain sections of a document referred to above are incorporated by reference in this Base Prospectus, the parts of such document which are not incorporated by reference are either not relevant to prospective investors in the Notes or covered elsewhere in this Base Prospectus.

The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are deemed to be incorporated herein by reference. Written or oral requests for such documents should be directed to the Issuer at its registered office set out at the end of this Base Prospectus. In addition, such documents will be available free of charge from the office in Amsterdam of Kempen & Co N.V. in its capacity as Amsterdam listing agent (the "**Amsterdam Listing Agent**") for Notes listed on Euronext in Amsterdam, from the principal office in Luxembourg of Deutsche Bank Luxembourg S.A. in its capacity as Luxembourg listing agent (the "**Luxembourg Listing Agent**") for Notes which may be listed on the Luxembourg Stock Exchange, and from the website of the Issuer (<https://www.vanlanschotkempen.com/dip>).

The Issuer will, in connection with the listing of the Notes on Euronext in Amsterdam or the Luxembourg Stock Exchange, so long as any Note remains outstanding and listed on either such exchange, in the event of a material adverse change in the financial condition of the Issuer which is not reflected in this Base Prospectus or if a significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus arises or is noticed, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes to be listed on Euronext in Amsterdam or the Luxembourg Stock Exchange. If the terms of this Programme are modified or amended in a manner which would make this Base Prospectus inaccurate or misleading, a new Base Prospectus or a supplement to this Base Prospectus will be prepared.

This Base Prospectus and any supplement will only be valid for issuing Notes in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed EUR 5,000,000,000 or its equivalent in any other currency.

For the purpose of calculating the aggregate amount of Notes issued under the Programme from time to time:

- (a) the Euro equivalent of Notes denominated in another Specified Currency (as defined under '*Form of the Notes*' below) shall be determined, at the discretion of the Issuer, as of the date of agreement to issue such Notes (the "**Agreement Date**") or on the preceding day on which commercial banks and foreign exchange markets are open for business in Amsterdam, in each case on the basis of the spot rate for the sale of the Euro against the purchase of such Specified Currency in the Amsterdam foreign exchange market quoted by any leading bank selected by the Issuer on such date;
- (b) the amount (or, where applicable, the Euro equivalent) of Fixed Rate Notes, Fixed Rate Reset Notes, Floating Rate Notes and Inverse Floating Rate Notes (each as defined under '*Form of the Notes*' below) shall be calculated (in the case of Notes not denominated in Euro, in the manner specified above) by reference to the original nominal amount of such Notes (in the case of Partly Paid Notes, regardless of the subscription price paid); and
- (c) the amount (or, where applicable, the Euro equivalent) of Zero Coupon Notes (as defined under '*Form of Notes*' below) and other Notes issued at a discount or premium shall be calculated (in the case of Notes not denominated in Euro, in the manner specified above) by reference to the net proceeds received by the Issuer for the relevant issue.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some statements in this Base Prospectus may be deemed to be "forward-looking statements". Forward-looking statements include all statements other than historical statements of fact included in this Base Prospectus, including, without limitation, those concerning the Issuer's financial position, business strategy, plans, goals and objectives of management for future operations (including development plans and objectives relating to the Issuer's products) and the assumptions underlying these forward-looking statements. When used in this Base Prospectus (or any supplement hereto), the words 'anticipates', 'estimates', 'expects', 'believes', 'intends', 'plans', 'aims', 'seeks', 'may', 'will', 'should' and any similar expressions generally identify forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer, or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future. The Issuer's risks are more specifically described in the section '*Risk Factors*'.

Important factors that could cause the Issuer's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, changes or downturns in the Dutch economy or the economies in other countries in which the Issuer conducts business, the impact of fluctuations in foreign exchange rates and interest rates and the impact of future regulatory requirements.

These forward-looking statements speak only as of the date of this Base Prospectus. Other than as required by applicable laws and regulations, the rules and regulations of the relevant stock exchange, the Issuer expressly disclaim any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

PUBLIC OFFERS OF PUBLIC OFFER NOTES IN THE EUROPEAN ECONOMIC AREA

Certain Tranches of Notes with a denomination of less than EUR 100,000 (or its equivalent in any other currency) ("**Public Offer Notes**") may, subject as provided below, be offered in a Relevant Member State in circumstances where there is no exemption from the obligation under Article 3.2 of the Prospectus Directive to publish a prospectus. Any such offer is referred to in this Base Prospectus as a "**Public Offer**".

This Base Prospectus has been prepared on a basis that permits Public Offers of Public Offer Notes in Belgium, Luxembourg and the Netherlands (together, the "**Public Offer Jurisdictions**"). Any person making or intending to make a Public Offer of Public Offer Notes in a Public Offer Jurisdiction on the basis of this Base Prospectus must do so only with the Issuer's consent - see '*Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)*' below.

If the Issuer intends to make or authorise any Public Offer of Public Offer Notes to be made in one or more Relevant Member States other than in a Public Offer Jurisdiction, it will prepare a supplement to this Base Prospectus specifying such Relevant Member State(s) and any additional information required by the Prospectus Directive in respect thereof. Such supplement will also set out provisions relating to the Issuer's consent to use this Base Prospectus in connection with any such Public Offer.

Save as provided above, neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any Public Offer of Notes in circumstances in which an obligation arises for either the Issuer or any Dealer to publish or supplement a prospectus for such offer.

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

In the context of any Public Offer of Public Offer Notes in a Public Offer Jurisdiction, the Issuer accepts responsibility, in each of the Public Offer Jurisdictions, for the content of this Base Prospectus in relation to any person (an "**Investor**") who purchases any Public Offer Notes by a Dealer and also with respect to subsequent resale or final placement of securities by any financial intermediary which was given consent by the Issuer to use this Base Prospectus (an "**Authorised Offeror**"), where the offer is made in compliance with all conditions attached to the giving of the consent. Such consent and conditions are described below under '*Consent*' and '*Common conditions to consent*'. Neither the Issuer, the Arranger nor any Dealer has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such Public Offer.

Save as provided below, neither the Issuer, the Arranger nor any Dealer has authorised the making of any Public Offer and the Issuer has not consented to the use of this Base Prospectus by any other person in connection with any Public Offer of Public Offer Notes in any jurisdiction. Any Public Offer made without the consent of the Issuer is unauthorised and neither the Issuer, the Arranger nor any Dealer accepts any responsibility or liability for the actions of the persons making any such unauthorised offer.

If, in the context of a Public Offer, an Investor to whom an offer of any Public Offer Notes is made is offered Public Offer Notes by a person which is not an Authorised Offeror, the Investor should check with such person whether anyone is responsible for this Base Prospectus for the purpose of Article 6 of the Prospectus Directive in the context of the Public Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

The Issuer will publish information with respect to Authorised Offerors unknown at the time of the approval of the Base Prospectus or the filing of the applicable Final Terms, as the case may be, on <https://www.vanlanschotkempen.com/dip>.

Consent

Subject to the conditions set out below under '*Common conditions to consent*':

- A. the Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Public Offer of Public Offer Notes in any of the Public Offer Jurisdictions by:

- (i) the Dealer(s) specified in the relevant Final Terms;
 - (ii) any financial intermediary named as an Initial Authorised Offeror in the applicable Final Terms; and
 - (iii) any financial intermediary appointed after the date of the applicable Final Terms and whose name and address is published on the Issuer's website or the website of its subsidiary company Kempen & Co N.V. and identified as an Authorised Offeror in respect of the relevant Public Offer; and
- B. if (and only if) Part A of the relevant Final Terms specifies "*General Consent*" as "*Applicable*", the Issuer hereby offers to grant its consent to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Public Offer of Public Offer Notes in a Public Offer Jurisdiction by any financial intermediary which satisfies the following conditions:
- (i) it is authorised to make such offers under the in each relevant jurisdiction applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2014/65/EU); and
 - (ii) it accepts such offer by publishing on its website the following statement (with the information in square brackets duly completed with the relevant information):

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

The "**Authorised Offeror Terms**" are that the relevant financial intermediary:

- (I) will, and it agrees, represents, warrants and undertakes for the benefit of the Issuer and the relevant Dealer(s) that it will, at all times in connection with the relevant Public Offer:
 - (a) act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**") from time to time including, without limitation, Rules relating to both the appropriateness or suitability of any investment in the Public Offer Notes by any person and disclosure to any potential Investor, and will immediately inform the Issuer and the relevant Dealer(s) if at any time such financial intermediary becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;
 - (b) comply with the restrictions set out under '*Subscription and Sale*' in this Base Prospectus which would apply as if it were a Dealer;
 - (c) comply with the target market and distribution channels identified under the "MiFID II product governance" legend set out in the applicable Final Terms;
 - (d) ensure that any fee (and any other commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Public Offer Notes does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to Investors or potential Investors;
 - (e) hold all licenses, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Public Offer Notes under the Rules;
 - (f) comply with and take appropriate steps in relation to applicable anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential Investor prior to initial investment in any Public Offer Notes by the Investor), and will not permit

any application for Public Offer Notes in circumstances where the financial intermediary has any suspicions as to the source of the application moneys;

- (g) retain Investor identification records for at least the minimum period required under applicable Rules, and shall, if so required and permitted, make such records available to the relevant Dealer(s) and the Issuer or directly to the appropriate authorities with jurisdiction over the Issuer and/or the relevant Dealer(s) in order to enable the Issuer and/or the relevant Dealer(s) to comply with anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules applying to the Issuer and/or the relevant Dealer(s);
 - (h) ensure that no holder of Public Offer Notes or potential Investor in Public Offer Notes shall become an indirect or direct client of the Issuer or the relevant Dealer(s) for the purposes of any applicable Rules from time to time, and, to the extent that any client obligations are created by the relevant financial intermediary under any applicable Rules, then such financial intermediary shall perform any such obligations so arising;
 - (i) cooperate with the Issuer and the relevant Dealer(s) in providing such information (including, without limitation, documents and records maintained pursuant to paragraph (f) above) upon written request from the Issuer or the relevant Dealer(s) as is available to such financial intermediary or which is within its power and control from time to time, together with such further assistance as is reasonably requested by the Issuer or the relevant Dealer(s):
 - (i) in connection with any request or investigation by the AFM and/or any relevant regulator of competent jurisdiction in relation to the Public Offer Notes, the Issuer or the relevant Dealer(s); and/or
 - (ii) in connection with any complaints received by the Issuer and/or the relevant Dealer(s) relating to the Issuer and/or the relevant Dealer(s) or another Authorised Offeror, including, without limitation, complaints as defined in rules published by the AFM and/or any relevant regulator of competent jurisdiction from time to time: and/or
 - (iii) which the Issuer or the relevant Dealer(s) may reasonably require from time to time in relation to the Public Offer Notes and/or as to allow the Issuer or the relevant Dealer(s) fully to comply within its own legal, tax and regulatory requirements,
- in each case, as soon as is reasonably practicable and, in any event, within any timeframe set by any such regulator or regulatory process;
- (j) during the primary distribution period of the Public Offer Notes: (i) not sell the Public Offer Notes at any price other than the Issue Price specified in the applicable Final Terms (unless otherwise agreed with the relevant Dealer(s)); (ii) not sell the Public Offer Notes otherwise than for the settlement on the Issue Date specified in the applicable Final Terms; (iii) not appoint any sub-distributors (unless otherwise agreed with the relevant Dealer(s) and the Issuer); (iv) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Public Offer Notes (unless otherwise agreed with the relevant Dealer(s)); and (v) comply with such other rules of conduct as may be reasonably required and specified by the relevant Dealer(s) and the Issuer;
 - (k) either (i) obtain from each potential Investor an executed application for the Public Offer Notes, or (ii) keep a record of all requests such financial intermediary (x) makes for its discretionary management clients, (y) receives from its advisory clients and (z) receives from its execution-only clients, in each case, prior to making any order for the Public Offer Notes on their behalf, and, in each case, maintain the same on its files for so long as is required by any applicable Rules;
 - (l) ensure that it does not, directly or indirectly, cause the Issuer or the relevant Dealer(s) to breach any Rule or subject the Issuer or the relevant Dealer(s) to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
 - (m) comply with the conditions to the consent referred to under '*Common conditions to consent*' below and any further requirements relevant to the Public Offer as specified in the applicable Final Terms;

- (n) make available to each potential Investor in the Public Offer Notes the Base Prospectus (as supplemented as at the relevant time, if applicable), the applicable Final Terms and any applicable information booklet provided by the Issuer for such purpose, and not convey or publish any information that is not contained in or entirely consistent with this Base Prospectus; and
 - (o) if it conveys or publishes any communication (other than the Base Prospectus or any other materials provided to such financial intermediary by or on behalf of the Issuer for the purpose of the relevant Public Offer) in connection with the relevant Public Offer, it will ensure that such communication (i) is fair, clear and not misleading and complies with the Rules, (ii) states that such financial intermediary has provided such communication independently of the Issuer, that such financial intermediary is solely responsible for such communication and that none of the Issuer nor the relevant Dealer(s) accept any responsibility for such communication and (iii) does not, without the prior written consent of the Issuer or the relevant Dealer(s) (as applicable), use the legal or publicity names of the Issuer or, respectively, the relevant Dealer(s) or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest, except to describe the Issuer as issuer of the relevant Public Offer Notes on the basis set out in this Base Prospectus;
- (II) agrees and undertakes to indemnify each of the Issuer and the relevant Dealer(s) (in each case, on behalf of such entity and its respective directors, officers, employees, agents, affiliates and controlling persons) against any losses, liabilities, costs, claims, charges, expenses, actions or demands (including reasonable costs of investigation and any defence raised thereto and counsel's fees and disbursements associated with any such investigation of defence) which any of them may incur or which may be made against any of them arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations, warranties or undertakings by such financial intermediary, including (without limitation) any unauthorised action by such financial intermediary or failure by such financial intermediary to observe any of the above restrictions or requirements or the making by such financial intermediary of any unauthorised representation or the giving or use by it or any information which has not been authorised for such purposes by the Issuer or the relevant Dealer(s); and
- (III) agrees and accepts that:
- (a) the contract between the Issuer and the financial intermediary formed upon acceptance by the financial intermediary of the Issuer's offer to use the Base Prospectus with its consent in connection with the relevant Public Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, the laws of the Netherlands; and
 - (b) the competent courts of Amsterdam, the Netherlands are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Authorised Offeror Contract (including a dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) and accordingly submits to the exclusive jurisdiction of such courts.

Any financial intermediary falling within sub-paragraph (B) above who wishes to use this Base Prospectus in connection with a Public Offer is required, for the duration of the relevant Offer Period, to publish on its website the statement (duly completed) specified at paragraph (B)(II) above.

Common conditions to consent

The conditions to the Issuer's consent are (in addition to the conditions described in paragraph (B) above if Part A of the applicable Final Terms specifies "*General Consent*" as "*Applicable*") that such consent:

- (a) is only valid in respect of the relevant Tranche of Public Offer Notes;
- (b) is only valid during the Offer Period specified in the relevant Final Terms; and
- (c) only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Public Offer Notes in one or more of Belgium and the Netherlands, as specified in the applicable Final Terms.

ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY PUBLIC OFFER NOTES IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR OTHER THAN THE ISSUER WILL DO SO, AND OFFERS AND SALES OF SUCH PUBLIC OFFER NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE PUBLIC OFFER NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK AT THE RELEVANT AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION. NEITHER THE ISSUER NOR ANY DEALER (EXCEPT WHERE SUCH DEALER IS THE RELEVANT AUTHORISED OFFEROR) HAS ANY RESPONSIBILITY OF LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

Public Offers: Issue Price and Offer Price

Public Offer Notes to be offered pursuant to a Public Offer will be issued by the Issuer at the Issue Price specified in the applicable Final Terms. The Issue Price will be determined by the Issuer in consultation with the relevant Dealer(s) at the time of the relevant Public Offer and will depend, amongst other things, on the interest rate applicable to the Public Offer Notes and prevailing market conditions at any time. The offer price of such Public Offer Notes will be the Issue Price or such other price as may be agreed between an Investor and the Authorised Offeror making the offer of the Public Offer Notes to such Investor. The Issuer will not be party to arrangements between an Investor and an Authorised Offeror, and the Investor will need to look to the relevant Authorised Offeror to confirm the price at which such Authorised Offeror is offering the Public Offer Notes to such Investor.

FORM OF THE NOTES

Each Tranche of Notes will (unless otherwise specified in the applicable Final Terms) be in bearer form and will initially be represented by 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**" and, together with the Temporary Global Note, the "**Global Notes**"), without receipts, interest coupons or talons, which in either case will:

- (i) if the Global Notes are intended to be issued in NGN form, as specified in the applicable Final Terms, be delivered to a common safekeeper (the "**Common Safekeeper**") for Euroclear and/or 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 depository (the "**Common Depository**") on behalf of Euroclear, Clearstream, Luxembourg and/or Euroclear Netherlands;
 - (b) be deposited with Euroclear Netherlands; and/or
 - (c) any other applicable settlement institution.

Whilst any Note is represented by a Temporary Global Note and subject to TEFRA D selling restrictions, payments of principal and interest (if any) 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 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 and/or settlement system(s) and the relevant clearing and/or settlement system(s) have given a like certification (based on the certifications they have received) to the Agent. Any reference in this section to the relevant clearing and/or settlement system(s) shall mean the clearance and/or settlement system(s) as specified in the applicable Final Terms.

On and after the date (the "**Exchange Date**") which is not less than 40 days nor, in the case of Notes held through Euroclear Netherlands, more than 90 days after the date on which the Temporary Global Note is issued, interests in the Temporary Global Note will be exchangeable (free of charge), upon request as described therein, either for interests in a Permanent Global Note without receipts, interest coupons or talons or for Definitive Notes (as specified in the applicable Final Terms) in each case (if the Notes are subject to TEFRA D selling restrictions) 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 or principal due on or after the Exchange Date unless (if the Notes are subjected to TEFRA D selling restrictions) upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for Definitive Notes improperly withheld or refused. Pursuant to the Agency Agreement (as defined under '*Terms and Conditions of the Notes*' below) the Agent will arrange that, where a Temporary Global Note representing a Tranche of Notes is issued, the Notes of such Tranche shall be assigned an ISIN and a common code by Euroclear, Clearstream, Luxembourg, Euroclear Netherlands and/or any other applicable settlement institution and which are different from the ISIN and common code assigned to Notes of any other Tranche of the same Series.

Definitive Notes will be in the standard euromarket form. Definitive Notes and Global Notes will be in bearer form.

Payments of principal and interest (if any) on a Permanent Global Note will be made through the relevant clearing and/or settlement system(s) (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. A Permanent Global Note will, unless otherwise specified in the applicable Final Terms, be exchangeable (free of charge), in whole (but not in part) in accordance with the applicable Final Terms for security printed Definitive Notes with, where applicable, receipts, interest coupons or coupon sheets and talons attached. Such exchange may be made, as specified in the applicable Final Terms, either (i) upon not less than 30 days' written notice being given to the Agent by Euroclear, Clearstream, Luxembourg or Euroclear Netherlands and/or any other relevant settlement institution and (acting on the instructions of any of its participants) as

described therein or (ii) only upon the occurrence of any Exchange Event. An "**Exchange Event**" means (1) the Issuer has been notified that Euroclear and Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing and/or settlement system is available or (2) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 8(b) which would not be required were the Notes represented by a Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 upon the occurrence of an Exchange Event. In the event of the occurrence of any Exchange Event, Euroclear and/or Clearstream, Luxembourg and/or Euroclear Netherlands and/or any other applicable settlement institution, acting on the instructions of any holder of an interest in the Global Note, may give notice to the Agent requesting exchange and in the event of the occurrence of an Exchange Event as described in (2) above, the Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur no later than 15 days after the date of receipt of the relevant notice by the Agent. Global Notes and Definitive Notes will be issued pursuant to the Agency Agreement. At the date hereof, none of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution regard Notes in global form as fungible with Notes in definitive form.

Delivery (*utilevering*) of definitive Notes represented by a Global Note deposited with Euroclear Netherlands shall only be possible in the limited circumstances as described in the Wge and such delivery will be made in accordance with the Wge and the rules and regulations of Euroclear Netherlands.

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

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

The following legend will appear on all Permanent Global Notes, Definitive Notes, receipts and interest coupons (including talons) which are subject to TEFRA D selling restrictions:

'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 of 1986.'

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 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 Euroclear Netherlands 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.'

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 10 of the Notes. 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 and/or settlement 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 and/or settlement 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 and/or settlement system(s) (other than Euroclear Netherlands) on and subject to the terms of the relevant Global Note. In the case of a Global Note deposited with Euroclear Netherlands, the rights of the Noteholders will be exercised in accordance with the Wge and the rules and regulations of Euroclear Netherlands.

FORM OF FINAL TERMS

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

Final Terms dated []

Van Lanschot N.V.

(incorporated in the Netherlands with its statutory seat in 's-Hertogenbosch)

Legal Entity Identifier (LEI): 724500D8WOYCL1BUCB80

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the EUR 5,000,000,000 Debt Issuance Programme**

Series No. []

Tranche No. []

[Publicity name(s) of Dealer(s)/Manager(s)]

Any person making or intending to make an offer of the Notes may only do so[

- (i) in those Public Offer Jurisdictions mentioned in paragraph 44 of Part A below, provided such person is a Dealer, Manager or Authorised Offeror (as such term is defined in the Base Prospectus) and that such offer is made during the Offer Period specified for such purpose therein and that any conditions relevant to the use of the Base Prospectus are complied with; or
- (ii) otherwise]¹ 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.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended or superseded) and includes any relevant implementing measures in the relevant Member State.

[MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[MIFID II product governance / Retail investors target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the [Notes] is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); [and] (ii) all channels for distribution of the Notes [to eligible counterparties and professional clients] are appropriate [and (iii) the following channels for distribution of the Notes to retail clients are appropriate[, including/;] investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]] [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable].]

¹ Include this wording where a Public Offer of Notes is anticipated.

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

¹ Legend to be included unless the Final Terms specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable".

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated 21 December 2018 [and the supplement(s) to it dated []] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive] and must be read in conjunction with the Base Prospectus. 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 Base Prospectus. [A summary of the Notes (which comprises the summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms.] The Base Prospectus has been published on [<https://www.vanlanschotkempen.com/dip>].

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the base prospectus dated [*original date*] [and the supplement(s) to it dated [*date*]] which are incorporated by reference in the base prospectus dated 21 December 2018 [and the supplement(s) to it dated [*date*] [and [*date*]]] which [together] constitute[s] a base prospectus [for the purposes of Article 5.4 of the Prospectus Directive] (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive] and must be read in conjunction with the base prospectus, including the Conditions incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Conditions. [A summary of the Notes (which comprises the summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms.] The Base Prospectus has been published on [<https://www.vanlanschotkempen.com/dip>].]

[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 Base Prospectus under Article 16 of the Prospectus Directive.]

[When adding any other final terms or information, consideration should be given as to whether such terms or information constitute category "B" information as indicated in Annex XX of the Prospectus Regulation and consequently trigger the need for an individual Drawdown Prospectus.]

[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 sub-paragraphs. Italics denote directions for completing the Final Terms.]

1. Issuer: Van Lanschot N.V.
2. (i) Series Number: [...]
- (ii) Tranche Number: [...]
- (iii) Date on which the Notes become fungible: [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [*insert description of the Series*] on [*insert date*/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 33 below [which is expected to occur on or about [*insert date*]]].]
3. Specified Currency or Currencies: [EUR/USD/CHF/JPY/GBP/HKD/AUD/CAD/NZD/[...]]
4. Aggregate Nominal Amount:
 - (i) Series: [...]

- (ii) Tranche: [...]
5. (i) Issue Price: [...] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in case of fungible issues only, if applicable)]
- (ii) Net Proceeds: [...]/[Not Applicable] (*required only for issues listed on Euronext in Amsterdam*)
6. (i) Specified Denomination(s): [...]
- [EUR 100,000 and integral multiples of [EUR 1,000] in excess thereof up to and including [EUR 199,000]. No notes in definitive form will be issued with a denomination above [EUR 199,000].]
- (All Subordinated Notes will have a minimum Specified Denomination of at least EUR 100,000 (or its equivalent in any other currency)).*
- (ii) Calculation Amount: [...]/[Not Applicable] [(i) if there is only one Specified Denomination, the Specified Denomination of the relevant Notes or (ii) if there are several Specified Denominations, the highest common factor of those Specified Denominations]
7. (i) Issue Date: [...]
- (ii) Interest Commencement Date: [...]/[Not Applicable]
8. Maturity Date or Redemption Month: [...] [Fixed rate – *specify date*]
- [Other - Interest Payment Date falling in or nearest to [*specify month*] [*specify year*] [(the "Scheduled Maturity Date")]
9. Interest Basis: [[...] per cent. Fixed Rate]
 [[...] per cent. subject to Fixed Reset Rate]
 [Floating Rate] [LIBOR/EURIBOR/ICE SWAP Rate] +/- [...] per cent.
 [Inverse Floating Rate] [...] per cent. -/
 [LIBOR/EURIBOR/ICE Swap Rate]
 [Zero Coupon]
 [Non-interest bearing]
 (further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]
 [Partly Paid]
 [Instalment]
 (further particulars specified below)
11. Change of Interest Basis: [Condition 5(e) applies]
 The Interest Basis shall change from [Fixed Rate/Floating Rate/Inverse Floating Rate/Zero Coupon/Non-interest bearing] to [[Fixed Rate/Floating Rate/Inverse Floating Rate/Zero Coupon/Non-interest bearing] following the exercise of a Change of Interest Basis Option][*Repeat paragraph as necessary for additional changes of interest basis*][Not Applicable]

12. Put/Call Options: [Put Option]
[Issuer Call Option]
[Regulatory Call (*only for Tier 2 Notes*)]
[(further particulars specified below)]
13. (i) Status of the Notes: [Senior/Subordinated [(Tier 2 Notes)]] *Specify the applicable Conditions which apply especially to Subordinated Notes* [Conditions [2/3/7(m)/7(n)/10/15/17] apply]
- (ii) Date of resolutions/authorisations/ approval for issuance of Notes obtained: [...]
14. (i) Listing: [Euronext in Amsterdam/the regulated market of the Luxembourg Stock Exchange/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [...] with effect from [...].]
[Not Applicable]
- (iii) Estimate of total expenses related to admission to trading: [...]
15. Method of distribution: [Syndicated/Non-syndicated]
16. Name and contact details of Calculation Agent, if not the Issuer: [Not Applicable/name and contact details]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17. **Change of Interest Basis Option:** [Applicable/Not Applicable]
- (i) Interest Basis Option Period: [...] Business Days
- (ii) Change of Interest Basis Option Date: [...] / Each Interest Payment Date]
- (iii) Initial Interest Basis: [[...] per cent. Fixed Rate]
[Floating Rate] [LIBOR/EURIBOR/ICE Swap Rate]
+/- [...] per cent.
[Inverse Floating Rate] [...] per cent. -/
[LIBOR/EURIBOR/ICE Swap Rate]
[Zero Coupon] [Repeat paragraph as necessary for additional changes of interest basis][Non-interest bearing]
- (iv) Subsequent Interest Basis: [[...] per cent. Fixed Rate]
[Floating Rate] [LIBOR/EURIBOR/ICE Swap Rate]
+/- [...] per cent.
[Inverse Floating Rate] [...] per cent. -/
[LIBOR/EURIBOR/ICE Swap Rate] [Repeat paragraph as necessary for additional changes of interest basis][
[Zero Coupon]
[Non-interest bearing]
18. **Fixed Rate Note Provisions:** [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this*

paragraph)

- (i) Fixed Rate[(s)] of Interest: [...] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear]
- (ii) Interest Payment Date(s): [...] in each year up to and including the Maturity Date (NB: Amend in the case of long or short coupons)
- (iii) Fixed Coupon Amount(s): [...] per [...] in nominal amount
- (iv) Broken Amount(s): [...] per nominal amount payable on the Interest Payment Date falling [in/on] [...] / [Not Applicable]
- (v) Day Count Fraction: [Actual/Actual (ICMA)]
[Actual/365]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360]
[Bonds Basis]
[30E/360]
[30E/360 (ISDA)]
[Actual/Actual (ISDA)]
[Actual/Actual]
- (vi) Interest Determination Date(s): [...] in each year.¹
19. **Fixed Rate Reset Note Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Initial Interest Rate: [] per cent. per annum payable [annually/semi-annually/quarterly] in arrear
- (ii) Interest Payment Date(s): [[] in each year up to and including the Maturity Date]
(N.B. This will need to be amended in the case of long or short coupons)
- (iii) Fixed Coupon Amount to (but excluding) the First Reset Date: (Applicable to Notes in definitive form.) [] per Calculation Amount
- (iv) Broken Amount(s): (Applicable to Notes in definitive form.) [[] per Calculation Amount payable on the Interest Payment Date falling in/on []] [Not Applicable]
- (v) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (vi) Determination Date(s): [[] in each year][Not Applicable]
- (Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)

N.B. Only relevant where Day Count Fraction is

¹ (Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon (NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration) (NB: Only relevant for an issue denominated in Euro where Day Count Fraction is Actual/Actual (ICMA))

		<i>Actual/Actual (ICMA))]</i>
(vii) First Reset Date:	[]	
(viii) Second Reset Date:	[]/[Not Applicable]	
(ix) Subsequent Reset Date(s):	[]/[and []]/[Not Applicable]	
(x) Reset Determination Date:	[first/second/specify] Business Day immediately preceding the relevant Reset Date	
(xi) Reset Determination Time:	[11.00 a.m. (Central European Time)/specify]	
(xii) Reset Margin(s):	[+/-][] per cent. per annum	
(xiii) Mid-Swap Rate:	[]	
(xiv) Fixed Reset Rate Relevant Screen Page:	[]	
(xv) Initial Mid-Swap Rate:	[] per cent. per annum (quoted on a[n] annual/semi-annual basis)	
20. Floating Rate Note Provisions:		[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
(i) ICE Swap Rate:		[further details specifying tenor and currency, time of day observation et cetera]/[Not Applicable]
(ii) Specified Period(s):	[...]	
(iii) Specified Interest Payment Dates:	[...]	
(iv) Business Day Convention:		[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- Business Day Convention:		
- Adjustment or Unadjustment for Interest Period:	[Adjusted] or [Unadjusted]	
(v) Manner in which the Rate of Interest is to be determined:	[Screen Rate Determination/ISDA Determination/Interest Amount]	
(vi) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):	[...]	
(vii) Screen Rate Determination:	[Yes/No]	
- Reference Rate:	[...]	(<i>Either LIBOR, EURIBOR, ICE Swap Rate</i>).
- Interest Determination Date(s):	[...]	
		(<i>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 is open prior to the start of each Interest</i>

	<i>Period if ICE Swap Rate, EURIBOR or Euro LIBOR)</i>
- Relevant Screen Page:	[...] (in accordance with the fallback provisions as set out in Condition (5(b))
	<i>(In the case of EURIBOR, if not Reuters EURIBOR 01 ensure it is a page which shows a composite rate)</i>
(viii) ISDA Determination:	[Yes/No]
- Floating Rate Option:	[...]
- Designated Maturity:	[...]
- Reset Date:	[...]
(ix) Linear Interpolation:	[Not Applicable][Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (<i>specify for each short or long interest period</i>)]
(x) Margin(s):	[+/-] [...] per cent. per annum
(xi) Minimum Rate of Interest:	[...] per cent. per annum
(xii) Maximum Rate of Interest:	[...] per cent. per annum
(xiii) Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/365] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [Bonds Basis] [30E/360] [30E/360 (ISDA)] [Actual/Actual (ISDA)] [Actual/Actual]
(xiv) Applicable ISDA Definitions:	[2000/2006] ISDA Definitions [(as amended and supplemented)]
(xv) Inverse Floating Rate Note:	[Applicable/Not Applicable]
- Fixed Rate of Interest:	[...] per cent. per annum
21. Zero Coupon Note Provisions:	[Applicable/Not Applicable]
	<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i) Accrual Yield:	[...] per cent. per annum
(ii) Reference Price:	[...]
(iii) Day Count Fraction in relation to Early Redemption Amounts and late payment:	[Conditions 7(h) and (l) apply] [Actual/Actual (ICMA)] [Actual/365] [Actual/365 (Fixed)] [Actual/365 (Sterling)]

[Actual/360]
 [30/360]
 [360/360]
 [Bonds Basis]
 [30E/360]
 [30E/360 (ISDA)]
 [Actual/Actual (ISDA)]
 [Actual/Actual]

(Consider applicable day count fraction if not U.S. dollar denominated).

PROVISIONS RELATING TO REDEMPTION

22. Issuer Call Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [...]
- (ii) Optional Redemption Amount(s): [...] per [Calculation Amount/Specified Denomination] / [nominal amount of the Note]
- (iii) If redeemable in part: [...]
- Minimum Redemption Amount: [...]
- Maximum Redemption Amount: [...]
23. Put Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [...]
- (ii) Optional Redemption Amount(s): [...] per [Calculation Amount/Specified Denomination]
- (iii) Notice period: [...]
24. Final Redemption Amount: [...] per [Calculation Amount/Specified Denomination]
25. Early Redemption Amount:
- (i) Early Redemption Amount(s) payable on redemption pursuant to Condition 7 (other than 7(c) and 7(d)), including for tax reasons, illegality, regulatory reasons of Tier 2 Notes or on event of default (if different from that set out in Condition 7(g)): [market value/[paid up] nominal amount] of the Note on the date of redemption [adjusted for Early Redemption Unwind Costs]
- (ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates: [Yes/No]
- (iii) Unmatured Coupons to become void upon early redemption (Definitive Notes and Global Notes in bearer form only): [Yes/No/Not Applicable]

26. Obligatory Redemption: (Condition 7(f))): [Applicable/Not Applicable]
 Obligatory Redemption Date(s): [...]
 Obligatory Redemption Amount of each Note: [...] per [Calculation Amount/Specified Denomination] / [the nominal amount of the Note]
27. Regulatory Call: [Applicable/Not Applicable]
(if not applicable, delete the remaining sub-paragraphs of this paragraph)
 Optional Redemption Amount of each Note: [...] per [Note of [...] Specified Denomination/ [Calculation Amount]
28. Condition 17 (*Substitution of the Issuer*) applies to Subordinated Notes: [Yes, substitution by any directly or indirectly wholly owned subsidiary of the Issuer [or Van Lanschot Kempen N.V. (or any successor parent company of the Issuer)]]
 [No]
29. Substitution or variation applies to Subordinated Notes: [Applicable/Not Applicable]

GENERAL PROVISIONS RELATING TO REDEMPTION

30. Partly Paid Notes: [Applicable (*give details*)/Not Applicable]
31. Instalment Notes: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Instalment Date(s): [...]
- (ii) Instalment Amount(s): [...]
32. Adjustment for Early Redemption Unwind Costs: [Applicable/Not Applicable]
 [If Applicable:
 [Standard Early Redemption Unwind Costs/[*Insert relevant amount*]]]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

33. Form of Notes: [Bearer Notes/Exchangeable Bearer Notes]
 [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on not less than 30 days' notice given at any time/only upon an Exchange Event [and in case of a Temporary Global Note deposited with Euroclear Netherlands only in the limited circumstances, as described in the Wge.]]
 [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date.]
 [Permanent Global Note exchangeable for Definitive Notes [on not less than 30 days' notice given at any time/only upon an Exchange Event [and in case of a Temporary Global Note deposited with Euroclear Netherlands only in the limited circumstances, as

described in the Wge.]]

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

34. New Global Note Form: [Applicable/Not Applicable]
35. Additional Financial Centre(s): [Applicable [*specify relevant Additional Financial Centre(s)*]/Not Applicable]
36. Coupons or Receipts to be attached to Definitive Notes (and dates on which such Coupons or Receipts mature): [Yes/No. *If yes, give details*]
37. 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*]
38. Details relating to Partly Paid Notes: [Applicable/Not Applicable] *(NB: a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues) (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Part Paid Amount(s): [...]
- (ii) Part Payment Date(s): [...]
39. Details relating to Instalment Notes:
- (i) Instalment Amount(s): [Not Applicable/*give details*]
- (ii) Instalment Date(s): [Not Applicable/*give details*]
40. Redenomination: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Day Count Fraction applicable to Redenomination calculation: [Actual/Actual (ICMA)]
[Actual/365]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360]
[Bonds Basis]
[30E/360]
[30E/360 (ISDA)]
[Actual/Actual (ISDA)]
[Actual/Actual]
- (ii) Reference Rate the Note may be redenominated [LIBOR/EURIBOR/ICE Swap Rate]

to:

41. Whether Condition 8(a) of the Notes applies (in which case Condition 7(b) of the Notes will not apply) or whether Condition 8(b) of the Notes applies: [Condition 8(a) applies and Condition 7(b) does not apply] [Condition 8(b) and Condition 7(b) apply]

DISTRIBUTION

42. (i) If syndicated, names of Dealers and underwriting commitments: [Not Applicable/give names and underwriting commitments]

(Include names 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 an "best efforts" basis if such entities are not the same as the Dealers)

(Give an indication of the material features of the agreements, including the quotas).

(Where not all of the issue is underwritten, include a statement of the portion not covered)

[Please note that the process for notification to potential investors of the amount allotted will be provided for by the Dealer(s)]

- (ii) If non-syndicated, name of relevant Dealer: [...]

- (iii) Stabilising Manager (if any): [Not Applicable/give name]

- (iv) Date of Subscription Agreement: [Not Applicable/[...]]

- (v) Total commission and concession: [[...] per cent. of the aggregate nominal amount/Certain fees or commissions will be payable to third party distributors and/or the Notes will be sold at a discount to the Issue Price on the primary sale of the Notes/Not Applicable/(Specify if other)]

[Not Applicable]

43. U.S. Selling Restrictions: Regulation S Compliance Category 2
[TEFRA D/TEFRA C/TEFRA Not Applicable]

44. Public Offer: [Not Applicable] [A Public Offer of the Notes may be made by the Dealers [and *specify, if applicable*] (together [with the Dealers], the "**Initial Authorised Offerors**") [and any other Authorised Offerors in accordance with paragraph [] below] [Belgium/Luxembourg/ the Netherlands /[]] (the "**Public Offer Jurisdiction(s)**") during the period from *specify date* until *specify date* (the "**Offer Period**").

45. General Consent: [Applicable/Not Applicable]

46. Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]

47. Prohibition of Sales to Consumers in Belgium: [Applicable/Not Applicable]
(Unless an offer of the Notes is intended to be made

to consumers within the meaning of Belgian Code of Economic Law, "Applicable" is to be specified)

PART B - OTHER INFORMATION

LISTING AND ADMISSION TO TRADING

[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the, Luxembourg Stock Exchange/ Euronext in Amsterdam] with effect from[, at the earliest, the Issue Date/(*insert date*)].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Luxembourg Stock Exchange/Euronext in Amsterdam] with effect from[, at the earliest, the Issue Date/(*insert date*)].] [Not Applicable]

[Listing Agent: *specify listing agent*]

(where documenting a fungible issue indicate that original Notes are already admitted to trading)

INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the 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*]

OPERATIONAL INFORMATION

1. Relevant clearing and/or settlement system(s): [Euroclear/Clearstream, Luxembourg/Euroclear Netherlands/any other applicable settlement institution]
2. Any clearing and/or settlement system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): [Not Applicable/give name(s) and number(s) and address(es)]
3. Delivery: Delivery [against/free of] payment
4. Debt Issuance Programme number: [...]
5. Additional Paying Agent(s) (if any): [...]
6. Offer Period/application process: [[The offer of the Notes is expected to open at [...] hours ([...] time) on [...] and close at [...] hours ([...] time) on [...] or such earlier or later date or time as the Issuer may determine and will be announced in [...].]

[The Issuer reserves the right to withdraw the offer of the Notes until [...] at the latest. Such withdrawal will be announced in the aforementioned publications.]

[The aggregate principal amount of the Notes to be issued and allotted will be announced by the Issuer at [...] hours ([...] time) on [...] or such earlier or later date or time as the Issuer may determine and will be announced in the aforementioned publications.]

[The Issuer reserves the right to increase or decrease the aggregate principal amount of the Notes to be issued. Such increase or decrease will be announced in the aforementioned publications]

[[No]/D/d]ealing in the Notes will be possible before the aggregate principal amount of the Notes is announced as set out above.]

		[Not Applicable]
		[The offer price is [equal to the Issue Price] [...]]
7.	Reduction of subscriptions:	[Subscriptions in excess. If the Issuer determines to increase or decrease the aggregate principal amount of the Notes to be issued this will be announced by the Issuer at [...] hours ([...] time) on [...] or such earlier or later date or time as the Issuer may determine and will be announced in the aforementioned publications.]
8.	Maximum and minimum subscription amount:	[...] and [...]
9.	Method and time limit for paying up the securities and for delivery of the securities:	[...]
10.	Procedure for exercise of any right of pre-emption the negotiability of subscription rights and the treatment of subscription rights not exercised:	[...]
11.	Intended to be held in a manner which would allow Eurosystem eligibility:	<p>[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]</p> <p>[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra- day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]</p>
12.	Indication of yield (<i>Fixed Rate Notes only</i>):	[Calculated as [...] 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.
13.	ISIN:	[...]
	Common code:	[...]
	CFI:	[[]/Not Applicable]
	FISN:	[[]/Not Applicable]

(If the CFI and/or FISN is not required, requested or

available, it/they should be specified to be "Not Applicable")

- Other relevant code: [[]/Not Applicable]
14. Ratings: [The Notes to be issued have not been rated.]
- [The Notes to be issued [have been rated][are expected to be rated]:
- [S & P: [...]]
- [Fitch: [...]]
- [Other: Include here a brief explanation of the meaning of the ratings if this deviates from the explanations given in "General Information" published by the rating provider.] **
- [[Insert the full legal name of credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]
- [[Insert the full legal name of credit rating agency] is established in the European Union and registered under Regulation (EC) No 1060/2009.]
15. Notification: The [AFM] [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 [Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg/the Financial Services and Markets Authority in Belgium (FSMA)/Specify other] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive as implemented in the Netherlands.]
16. Identification of the sources of third party information, if applicable: [Not Applicable / [...]]
17. Reasons for the offer, estimated net proceeds and total expenses: *
- (i) Reasons for the offer: [...]
- (See [*Use of Proceeds*] wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.) [in case of sustainability notes or green bonds: specify the Issuer's environmental purpose]
- (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

* Delete if denomination is at least EUR 100,000.

proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

- (iii) Estimated total expenses: [...] [Include breakdown of expenses]
18. Details of historic [LIBOR/EURIBOR/ICE Swap Rate] rates can be obtained from [Reuters Screen].]*: *(Not Applicable for Fixed Rate Notes, Fixed Rate Reset Notes and Zero Coupon Notes)*
19. **TERMS AND CONDITIONS OF THE OFFER***
- Conditions to which the offer is subject: [Offers of the Notes are conditional on their issue. As between the Authorised Offerors and their customers, offers of the Notes are further subject to conditions as may be agreed between them and/or as specified in the arrangements in place between them.]
- Total amount of the offer; if the amount is not fixed, description of the arrangements and time for announcing the definitive amount to the public: []
- Description of the application process, including offer period, including any possible amendments, during which the offer will be open: [A prospective Noteholder should contact the applicable Authorised Offeror in the applicable Public Offer Jurisdiction prior to the end of the Offer Period. A prospective Noteholder will subscribe for the Notes in accordance with the arrangements existing between such Authorised Offeror and its customers relating to the subscription of securities generally. Noteholders will not be required to enter into any contractual arrangements directly with the Issuer in connection with the subscription of the Notes.] []
- Description of possibility to reduce subscriptions: [Not Applicable/give details]
- Description of manner for refunding excess amount paid by applicants: [Not Applicable/give details]
- Details of the minimum and/or maximum amount of application: [There are no pre-identified allotment criteria. The Authorised Offeror will adopt allotment criteria in accordance with customary market practices and applicable laws and regulations.] []
- Details of the method and time limits for paying up and delivering the Notes: [Investors will be notified by the relevant Authorised Offeror of their allocations of Notes and the settlement arrangements in respect thereof.] []
- Manner in and date on which results of the offer are to be made public: [Investors will be notified by the applicable Authorised Offeror of their allocations of Notes and the settlement procedures in respect thereof on or around [date].] []
- Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable/give details]

* Delete if denomination is at least EUR 100,000.

Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:

[Offers may be made by the Authorised Offerors in each of the Public Offer Jurisdictions to any person during the Offer Period. In other EEA countries and in all jurisdictions (including the Public Offer Jurisdictions) outside of the Offer Period, offers will only be made by the [Dealers] pursuant to an exemption under the Prospectus Directive, as implemented in such countries. All offers of the Notes will be made in compliance with all applicable laws and regulations.] []

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:

[Prospective Noteholders will be notified by the relevant Authorised Offeror in accordance with the arrangements in place between such Authorised Offeror and the prospective Noteholders.]

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:

The Initial Authorised Offerors identified in paragraph 44 of Part A above [and any additional Authorised Offerors who have or obtain the Issuer's consent to use the Prospectus in connection with the Public Offer and who are identified on the Issuer's website] [and/or] [the website of its subsidiary company **Kempen & Co N.V.** (<https://www.kempenmarkets.nl>)] as an Authorised Offeror] (together, the "**Authorised Offerors**").

Amount of any expenses and taxes specifically charged to the subscriber or purchaser:

[Not Applicable/*give details*]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for [the public offer in the Public Offer Jurisdiction(s) and/or] listing and admission to trading on [Euronext in Amsterdam/the Luxembourg Stock Exchange] of the Notes described herein pursuant to the EUR 5,000,000,000 Debt Issuance Programme of Van Lanschot N.V.¹

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. The Issuer accepts responsibility accordingly.

These Final Terms or any other information supplied in connection with the Programme should not be considered as a recommendation by the Issuer, the Arranger or any of the Dealers that any recipient of these Final Terms or any other information supplied in connection with the Programme should purchase any Notes. Accordingly, no representation, warranty or undertaking, expressly or implied, is made and no responsibility is accepted by the Arranger or the Dealers or any of their respective affiliates in their capacity as such, as to the accuracy or completeness of the information contained in these Final Terms or any other information provided by the Issuer.

[[...] 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:

Signed on behalf of the Issuer:

By:
Duly authorised officer

By:
Duly authorised officer

¹ [attach an issue specific summary for tranches of Notes that are Public Offer Notes and/or have a denomination of less than EUR 100,000].

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of Notes to be issued by the Issuer which will be incorporated by reference into each Global Note and which will be endorsed on (or, if permitted by the rules of the relevant stock exchange and agreed between the Issuer and the relevant Dealer, incorporated by reference into) each Note in the standard euromarket form. The applicable Final Terms will be endorsed on, incorporated by reference into, or attached to, each Global Note and Definitive Note in the standard euromarket form. All capitalised terms that are not defined in these Terms and Conditions will have the meaning given to them in the applicable Final Terms. Reference should be made to 'Form of the Notes' above for a description of the content of Final Terms which includes the definition of certain terms used in the following Terms and Conditions.

This Note is one of a Series (as defined below) of Notes issued by Van Lanschot N.V. (the "**Issuer**") pursuant to the Agency Agreement (as defined below). References to the Issuer are solely to Van Lanschot N.V. and do not include its subsidiaries. References to subsidiaries are to subsidiaries as meant in Section 2:24a of the Netherlands Civil Code (*Burgerlijk Wetboek*). References herein to the "Notes" (which expression shall include Senior Notes and Subordinated Notes, each as defined below) shall be references to the Notes of this Series and shall mean (i) in relation to any Notes represented by a global note (the "**Global Note**"), units of the lowest Specified Denomination in the Specified Currency, (ii) definitive notes (the "**Definitive Notes**") issued in exchange for a Global Note and (iii) any Global Note. The Notes, the Receipts (as defined below) and the Coupons (as defined below) also have the benefit of an amended and restated agency agreement dated 21 December 2018 as amended and restated from time to time (the "**Agency Agreement**") made between the Issuer, Deutsche Bank AG, London Branch as issuing and principal paying agent and agent bank (in such capacity 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 in the standard euromarket form (unless otherwise specified) have interest coupons ("**Coupons**") and talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons. Definitive Notes in the standard euromarket form 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. Any reference herein to "**Noteholders**" 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. Any holders mentioned above include those having a credit balance in the collective depots held by Euroclear Netherlands or one of its participants under the Wge.

References in these Terms and Conditions (the "**Conditions**") to "**Coupons**" will include references to Coupon sheets where applicable.

The Final Terms for this Note are endorsed hereon or attached hereto or applicable hereto or incorporated by reference herein and supplements these Conditions. References herein to the "applicable Final Terms" are to the Final Terms for this Note. All capitalised terms that are not defined in these Conditions will have the meaning given to them in the applicable Final Terms.

As used herein, "**Tranche**" means Notes which are identical in all respects and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects from the date on which such consolidation is expressed to take effect except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Agency Agreement and the Final Terms applicable to this Note are available at the specified offices of each of the Agent and the other Paying Agents save that the Final Terms relating to an unlisted Note will only be available for inspection by a Noteholder upon such Noteholder producing evidence as to its identity in relation to its holdings in the Note satisfactory to the relevant Paying Agent. 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 and the applicable Final Terms which are binding on them. The statements in these 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 these Conditions unless the context otherwise requires or unless otherwise stated, provided that in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In these Conditions:

General Definitions:

Additional Financial Centre	any financial centre, specified as such, in the applicable Final Terms.
Adjustment Spread	has the meaning specified in Condition 5(f)(vii).
Affiliate	any entity controlled directly or indirectly, by the Issuer, any entity that controls, directly or indirectly, the Issuer, or any entity under common control with the Issuer. As used herein control means the ownership of a majority of the voting power of the entity and controlled by and controls shall be construed accordingly.
Alternative Rate	has the meaning specified in Condition 5(f)(vii).
Amortised Face Amount	has the meaning specified in Condition 7(g)(iii).
Applicable Capital Adequacy Regulations	(i) the capital adequacy regulations or any other regulatory capital rules applicable to the Issuer from time to time pursuant to Dutch law and/or the laws of any other relevant jurisdiction and which lay down the requirements to be satisfied by financial instruments to qualify as regulatory capital (or any equivalent terminology employed by the Applicable Capital Adequacy Regulations), including CRD IV and/or (ii) regulatory rules relating to the technical facilities and/or statutory liquidity requirements or any other capital adequacy regulations applicable to the Issuer from time to time pursuant to Dutch law and/or the laws of any other relevant jurisdiction, each as applied and construed by the Competent Authority and applicable to the Issuer.
Arranger	Coöperatieve Rabobank U.A.
Bearer Note	any Note in bearer form.
Benchmark Amendments	has the meaning specified in Condition 5(f)(iv).
Benchmark Event	has the meaning specified in Condition 5(f)(vii).
Broken Amount	the amount specified as such in the applicable Final Terms.
Business Day	a day which is both: <ul style="list-style-type: none"> (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation and any Additional Financial Centre specified in the applicable Final Terms; and (ii) either (1) in relation to any sum payable in a Specified Currency (as specified in the applicable Final Terms) 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(s) of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Wellington, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET is open.

Calculation Agent	the Issuer or, if different, the entity as specified in the applicable Final Terms. All determinations and calculations made by the Calculation Agent shall be made by it in its sole discretion and in good faith, acting reasonably and on an arm's-length basis. All such determinations and calculations so made shall be final and binding (save in the case of manifest error) on all parties. The Calculation Agent shall have no liability or responsibility to any person in relation to the determinations or calculations provided in connection herewith, except in the case of wilful default or bad faith.
Calculation Amount	if there (i) is only one Specified Denomination, the Specified Denomination of the relevant Notes, or (ii) are several Specified Denominations, the highest common factor of those Specified Denominations.
Change of Interest Basis Option	has the meaning specified in Condition 5(e).
Change of Interest Basis Option Date	the date specified as such in the applicable Final Terms.
Clearstream, Luxembourg	Clearstream Banking S.A.
Competent Authority	means DNB and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer, as determined by the Issuer.
CRD IV	the CRD IV Directive and the CRD IV Regulation together.
CRD IV Capital Event	has the meaning specified in Condition 7(m).
CRD IV Directive	Directive (2013/36/EU) of the European Parliament and of the Council of 26 June 2013 on the access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms and amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (as amended from time to time).
CRD IV Regulation	Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, and amending Regulation (EU) No. 648/2012 (as amended from time to time).
Day Count Fraction	<p>in respect of the calculation of an amount of interest for any Interest Period:</p> <p>(i) if 'Actual/365', 'Actual/Actual (ISDA)' or 'Actual/Actual' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B)</p>

the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

- (ii) if 'Actual/365 (Fixed)' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if 'Actual/365 (Sterling)' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if 'Actual/360' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if '30/360', '360/360' or 'Bond Basis' is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula based as follows:

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

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

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

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

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30;

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

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

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and in which case D₂ will be 30;

(viii) if 'Actual/Actual (ICMA)' is specified in the applicable Final Terms, (A) if the Interest Period is equal to or shorter than the Determination Period during which it

falls, the number of days in the Interest Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and (B) if the Interest Period is longer than one Determination Period, the sum of: (x) the number of days in such Interest Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and (y) the number of days in such Interest Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year.

Determination Period	each period from (and including) an Interest Determination Date to (but excluding) the next Interest Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not an Interest Determination Date, the period commencing on the first Interest Determination Date prior to, and ending on the first Interest Determination Date falling after, such date).
Distribution Compliance Period	the period that ends 40 days after the completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer(s) (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue).
DNB	Dutch Central Bank (<i>De Nederlandsche Bank N.V.</i>).
Documents	has the meaning specified in Condition 17(a)(i).
Early Redemption Amount	an amount equal to the market value of each Note on the date of redemption, adjusted, if so specified in the applicable Final Terms, to account for Early Redemption Unwind Costs.
Early Redemption Unwind Costs	the amount specified as such in the applicable Final Terms or, if Standard Early Redemption Unwind Costs are specified in the applicable Final Terms, an amount determined by the Calculation Agent in its sole and absolute discretion equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer, or its Affiliates, in connection with the redemption of the Notes and the related termination, settlement or re-establishment of any hedge or related trading position, such amount to be apportioned pro rata amongst each nominal amount of Notes in the Specified Denomination.
EURIBOR	the Euro-zone inter-bank offered rate.
euro, Euro or EUR	the lawful currency of the Member States of the European Union that have adopted the single currency in accordance with the Treaty on the functioning of the European Union, as amended from time to time.
Euroclear	Euroclear Bank SA/NV.
Euroclear Netherlands	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.

Eurosystem	the central banking system for the euro.
Established Rate	the rate for 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.
Exchangeable Bearer Notes	any Bearer Note which is in the applicable Final Terms expressed to be exchangeable for a definitive Note.
Exchange Event	(i) an Event of Default (as defined in Condition 10) has occurred and is continuing, or (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg and/or if applicable Euroclear Netherlands and/or if applicable, any other settlement system has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing and/or settlement system is available.
Exchange Notice	has the meaning specified in Condition 4.
Extraordinary Resolution	a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions herein contained by a majority consisting of not less than 75 per cent. of the persons voting thereat upon a show of hands or if a poll be duly demanded then by a majority consisting of not less than 75 per cent. of the votes given on such poll.
Final Redemption Amount	an amount equal to the nominal amount of each Note, unless otherwise specified in these Conditions.
First Reset Rate	has the meaning specified in Condition 5(a)(II).
Fixed Reset Rate Relevant Screen Page	has the meaning specified in Condition 5(a)(II).
Fixed Coupon Amount	the amount specified as such in the applicable Final Terms.
Fixed Rate of Interest	any fixed rate of interest specified as such in the applicable Final Terms.
Fixed Interest Period	the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or Maturity Date.
Fixed Rate Note	any Note to which a Fixed Rate of Interest applies as specified in the applicable Final Terms.
Fixed Rate Reset Note	any Note to which Fixed Rate Reset Note provisions apply described in Condition 5(a)(II) and as specified in the applicable Final Terms.
Floating Rate Convention	has the meaning specified in Condition 5(b)(i).
Floating Rate	any floating interest rate specified as such in the applicable Final Terms.
Floating Rate Note	any Note to which a Floating Rate applies as specified in the

	applicable Final Terms.
Following Business Day Convention	has the meaning specified in Condition 5(b)(i).
Holder	the holder of any Note, Receipt, Coupon or Talon.
ICE Swap Rate	fixed-for-floating interest rate swap rate where the rate on one side of the swap is (either fixed or) reset periodically at or relative to a market interest rate and the constant maturity side of the swap is reset each period according to a regularly available fixed maturity market rate.
Initial Interest Basis	the initial interest basis applicable on the Interest Commencement Date as specified in the applicable Final Terms.
Independent Adviser	has the meaning specified in Condition 5(f)(vii).
Instalment Amount	the amount specified as such in the applicable Final Terms.
Instalment Date	the date specified as such in the applicable Final Terms.
Instalment Note	any Note that may be repayable in two or more instalments as specified in the applicable Final Terms.
Interest Amount	has the meaning specified in Condition 5(b)(iv).
Interest Basis Option Date	the interest basis option date as specified in the applicable Final Terms.
Interest Basis Option Period	the interest basis option period as specified in the applicable Final Terms.
Interest Commencement Date	the Issue Date unless otherwise specified in the applicable Final Terms.
Interest Determination Date	the interest determination date as specified in the applicable Final Terms.
Interest Payment Date (s)	has the meaning specified in Condition 5(b)(i).
Inverse Floating Rate	any inverse floating rate of interest specified as such in the applicable Final Terms.
Inverse Floating Rate Note	any Note to which an Inverse Floating Rate applies as specified in the applicable Final Terms.
ISDA Definitions	has the meaning specified in Condition 5(b)(ii)(A).
ISDA Determination	the method for determining the interest rate of Floating Rate Notes as specified in Condition 5(b)(ii)(A).
ISDA Rate	has the meaning specified in Condition 5(b)(ii)(A).
Issue Date	the issue date specified as such in the applicable Final Terms.
Issue Price	the issue price of the Notes specified as such in the applicable Final Terms.
Issuer Call Option	has the meaning specified in Condition 7(c).

LIBOR	the London inter-bank offered rate.
Linear Interpolation	the method for determining the interest rate of Floating Rate Notes as specified in Condition 5(b)(v).
London Business Day	has the meaning specified in Condition 5(b)(vi).
Long Maturity Note	has the meaning specified in Condition 6(b).
Margin	the margin applicable to the Notes specified as such in the applicable Final Terms.
Maturity Date	the date of maturity of the Notes as specified in the applicable Final Terms.
Maximum Rate of Interest	the maximum rate of interest specified as such in the applicable Final Terms.
Mid-Swap Rate	has the meaning specified in Condition 5(a)(II).
Minimum Rate of Interest	the minimum rate of interest specified as such in the applicable Final Terms or if no such rate is stated the Minimum Rate of Interest shall be deemed zero.
Modified Following Business Day Convention	has the meaning specified in Condition 5(b)(i).
Moratorium	has the meaning specified in Condition 3.
Noteholder	the several persons who are for the time being holders of outstanding Notes being the bearers thereof save that, in respect of the Notes of any Series, for so long as the Notes or any part of them are represented by a Global Note held on behalf of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution each person (other than Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or such other applicable settlement institution) who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution as the holder of a particular nominal amount of the Notes of the Series (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution as to the nominal amount of the 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 deemed to be the holder of that nominal amount of Notes (and the holder of the relevant Global Note shall be deemed not to be the holder) for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the holder of the relevant Global Note shall be treated by the Issuer and any Paying Agent as the holder of the Notes in accordance with and subject to the terms of the relevant Global Note.
Obligatory Redemption	if specified as applicable in the applicable Final Terms, the obligation of the Issuer to redeem the Notes on the applicable Obligatory Redemption Date(s) by payment of the applicable Obligatory Redemption Amount.

Obligatory Redemption Amount	if Obligatory Redemption is specified as applicable in the applicable Final Terms, an amount as specified in the applicable Final Terms, and if no such amount is specified, the nominal amount of such Note.
Obligatory Redemption Date(s)	if Obligatory Redemption is specified as applicable in the applicable Final Terms the date(s) specified in the applicable Final Terms as being the Obligatory Redemption Date(s).
Optional Redemption Amount	an amount specified as such in the applicable Final Terms, and if no such amount is specified, the nominal amount of such Note.
Optional Redemption Date(s)	if specified as applicable in the applicable Final Terms, the date(s) designated and notified by the Issuer to the Noteholders (in the event an Issuer Call Option is applicable) or by the Noteholders to the Issuer (in the event Put Option is declared applicable).
Original Reference Rate	has the meaning specified in Condition 5(f)(vii).
Partly Paid Note	any Note where the issue price is payable in more than one instalment as specified in the applicable Final Terms.
Payment Day	any day (subject to Condition 9) which is both: <ul style="list-style-type: none"> (i) 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: <ul style="list-style-type: none"> a. the case of Notes in definitive form only, the relevant place of presentation; and b. any Additional Financial Centre specified in the applicable Final Terms; and (ii) either (1) in relation to any sum payable in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Additional Financial Centre and which if the Specified Currency is Australian Dollars or New Zealand Dollars shall be Sydney or Wellington respectively) or (2) in relation to any sum payable in Euro, a day on which the TARGET is open.
Permanent Global Note	a permanent global Note in bearer form.
Preceding Business Day Convention	has the meaning specified in Condition 5(b)(i).
Put Notice	has the meaning specified in Condition 7(d).
Put Option	has the meaning specified in Condition 7(d).
Rate of Interest	either the Fixed Rate or Fixed Rate Reset of Interest, Floating Rate or Inverse Floating Rate as specified in the applicable Final Terms.

Redeemed Notes	has the meaning specified in Condition 7(c).
Redenomination Date	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 paragraph (a) of Condition 4 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.
Reference Banks	has the meaning specified in Condition 5(a)(II) or Condition 5(b)(ii)(B) (whichever is applicable).
Reference Price	the reference price specified as such in the applicable Final Terms.
Reference Rate	the rate specified as such in the applicable Final Terms being either ICE Swap Rate, EURIBOR or LIBOR.
Regulatory Event	has the meaning specified in Condition 7(n).
Relevant Nominating Body	has the meaning specified in Condition 5(f)(vii).
Relevant Screen Page	such page, section, caption or column or other part of a particular information service as may be specified in the applicable Final Terms.
Reset Date	has the meaning specified in Condition 5(a)(II).
Reset Determination Date	has the meaning specified in Condition 5(a)(II).
Reset Determination Time	has the meaning specified in Condition 5(a)(II).
Reset Period	has the meaning specified in Condition 5(a)(II).
Reset Reference Bank Rate	has the meaning specified in Condition 5(a)(II).
Screen Rate of Interest	has the meaning specified in Condition 5(b)(ii)(B).
Screen Rate Determination	the method for determining the interest rate of Floating Rate Notes as specified in Condition 5(b)(ii)(B).
Securities Act	the United States Securities Act of 1933, as amended.
Selection Date	has the meaning specified in Condition 7(c).
Senior Note	any Note, specified as such in the Final Terms.
Specified Currency	the currency of the Notes specified as such in the applicable Final Terms.
Specified Denomination or SD	the denomination of the Notes specified as such in the applicable Final Terms.
Specified Interest Payment Date	the interest payment date specified as such in the applicable Final Terms.
Specified Time	has the meaning specified in Condition 5(b)(ii)(B).

Specified Period	has the meaning specified in Condition 5(b)(i).
Subordinated Note	any Note, specified as such in the Final Terms.
Subordinated Noteholders	has the meaning specified in Condition 3.
Subsequent Interest Basis	subject to the conditions set out in Condition 5(e) the interest basis specified as such in the applicable Final Terms that shall commence to apply upon exercise of the Change of Interest Basis Option.
Subsequent Reset Rate	has the meaning specified in Condition 5(a)(II).
Substituted Debtor	has the meaning specified in Condition 17(a).
sub-unit	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, means one cent.
Successor Rate	has the meaning specified in Condition 5(f)(vii).
TARGET	the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system, launched on 19 November 2007, which utilises a single shared platform.
Temporary Global Note	a temporary global Note in bearer form.
Tier 2 Notes	has the meaning specified in Condition 3.
Treaty	the Treaty establishing the European Community, as amended.
Wft	has the meaning specified in Condition 3.
Wge	has the meaning specified in Condition 1.
Zero Coupon Notes	notes during the term of which no interest shall become due and payable. The applicable Final Terms will specify whether the Tranche constitutes Zero Coupon Notes or not.

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).

This Note may be a Senior Note or a Subordinated Note, as specified in the applicable Final Terms.

This Note may be a Fixed Rate Note, a Fixed Rate Reset Note, a Floating Rate Note, an Inverse Floating Rate Note, a Zero Coupon 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 Instalment Note or a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Final Terms.

Notes in definitive form are issued with Coupons attached and, if applicable, Talons, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Conditions are not applicable.

Notes will be in a denomination or denominations (each of which denominations must be integrally divisible by each smaller denomination) specified in the relevant Final Terms. Notes of one denomination will not be exchangeable after their initial delivery for Notes of any other denominations, subject to Condition 4.

Subordinated Notes will have a minimum denomination of at least EUR 100,000 (or its equivalent in any other currency).

Subject as set out below, title to the Notes, Receipts and Coupons will pass by delivery. For Notes held by Euroclear Netherlands or otherwise in the settlement system under the Dutch Securities Giro Transfer Act as amended from time to time (*Wet giraal effectenverkeer*, the "**Wge**") deliveries will be made in accordance with the Wge and the regulations of Euroclear Netherlands. Except as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer, the Agent and any Paying Agent may 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 as long as any of the Notes is represented by a Global Note held by or on behalf of Euroclear and/or Clearstream, Luxembourg and/or the Euroclear Netherlands and/or any other applicable settlement institution each person (other than Euroclear, Euroclear Netherlands, Clearstream, Luxembourg or such other applicable settlement institution) who is for the time being shown in the records of Euroclear, Clearstream Netherlands, Clearstream, Luxembourg or such other applicable settlement institution as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Euroclear Netherlands, Clearstream, Luxembourg or such other applicable settlement institution as to the nominal amount of 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 and any Paying Agent 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 the Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer and any Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant Global. 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, Euroclear Netherlands, Clearstream, Luxembourg or any other relevant settlement system, as the case may be.

In case of Notes represented by a permanent Global Note deposited with Euroclear Netherlands, a Noteholder shall have no right to request delivery (*uitlevering*) thereof under the Wge other than as set out in the Global Note.

2. Status of the Senior Notes

The Senior Notes and the relative Receipts and Coupons constitute unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law.

*In respect of this Condition 2, reference is made to powers which were granted by way of statute to DNB and/or any other resolution authority (each, a "**Resolution Authority**") pursuant to which the Notes could, in certain circumstances, become subject to a determination by the Resolution Authority or the Issuer (following instructions from the Resolution Authority) that all or part of the principal amount of the Notes, including accrued but unpaid interest in respect thereof, must be written off, converted into common equity Tier 1 capital or otherwise be applied to absorb losses as more fully described in the risk factors entitled 'Intervention and resolution powers under the Wft, the BRRD and the SRM' and 'Change of law' in the section 'Risk Factors' above.*

3. Status and Characteristics relating to Subordinated Notes

The Subordinated Notes of a Series may qualify as Tier 2 capital of the Issuer ("**Tier 2 Notes**"), as referred to in the Applicable Capital Adequacy Regulations, as specified in the applicable Final Terms.

The Subordinated Notes and the relative Receipts and Coupons constitute unsecured and subordinated obligations of the Issuer and rank (i) *pari passu* without any preference among themselves and with all other present and future unsecured and subordinated obligations of the Issuer, save for those preferred by mandatory provisions of law or those subordinated obligations expressed by their terms to rank either in priority to or junior to the Subordinated Notes and (ii) junior to those subordinated obligations preferred by mandatory provisions of law or those subordinated obligations expressed by their terms to rank in priority to the Subordinated Notes.

The claims of the holders of the Subordinated Notes of a Series and the relative Receipts and Coupons (the "**Subordinated Noteholders**") against the Issuer are:

- (i) in the event of the liquidation (*ontbinding*) or bankruptcy (*faillissement*) of the Issuer; or
- (ii) in the event that a competent court has declared that the Issuer is subjected to emergency regulations (*noodregeling*) as referred to in Article 3:160 of the Wft and for so long as such situation is in force (such situation being hereinafter referred to as a "**Moratorium**"),

subordinated to (a) the claims of depositors (other than in respect of those whose deposits are expressed by their terms to rank equally to or lower than the Subordinated Notes) (b) unsubordinated claims with respect to the repayment of borrowed money, (c) other unsubordinated claims and (d) subordinated claims expressed by their terms to rank in priority to the Subordinated Notes (collectively, "**Senior Claims**").

By virtue of such subordination, payments to a Subordinated Noteholder will, in the event of the liquidation or bankruptcy of the Issuer or in the event of a Moratorium with respect to the Issuer, only be made after all obligations of the Issuer resulting from Senior Claims have been satisfied in full. In addition, any right of set-off or netting by a Subordinated Noteholder in respect of any amount owed to such Subordinated Noteholder by the Issuer under or in connection with such Note, Receipt or Coupon shall be excluded.

In respect of this Condition 3, reference is made to powers which were granted by way of statute to a Resolution Authority pursuant to which the Notes could, in certain circumstances, become subject to a determination by the Resolution Authority or the Issuer (following instructions from the Resolution Authority) that all or part of the principal amount of the Notes, including accrued but unpaid interest in respect thereof, must be written off, converted into common equity Tier 1 capital or otherwise be applied to absorb losses as more fully described in the risk factors entitled 'Intervention and resolution powers under the Wft, the BRRD and the SRM' and 'Change of law' in the section 'Risk Factors' above.

4. Redenomination

Where redenomination is specified in the applicable Final Terms, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders, on giving prior notice to the Agent, Euroclear and/or Clearstream, Luxembourg and, if applicable, Euroclear Netherlands or any other applicable settlement institution and at least 30 days' prior notice to the Noteholders in accordance with Condition 14, elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be deemed to be redenominated in Euro.

Subject to any applicable regulations, the election will have effect as follows:

- (i) the Notes and the Receipts shall be deemed to be redenominated into Euro 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, the market practice at that time 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;
- (ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) 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 €0.01;
- (iii) if Definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in denominations of not less than €100,000 (as determined by the Issuer in consultation with the Agent) and such other denominations as the Agent shall determine and notify to the Noteholders;
- (iv) 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 in consultation with the Issuer where practicable 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;

- (v) on or 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;
- (vi) 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 by applying the Rate of Interest to each Specified Denomination, 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; and
- (vii) if the Notes are Floating Rate Notes, the Issuer may adjust the reference rate of the Notes to any of LIBOR, EURIBOR ICE Swap Rate (or such Successor Rate or Alternative Rate in accordance with Condition 5(f)) and, if required, any or all Interest Payment Dates as it deems necessary in accordance with the then pertaining market practice taking into account the redenomination and in order to preserve the economic equivalent of the obligations of the Issuer in respect of interest under such Notes.

5. Interest

(a)(I) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) 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 arrears on the Interest Payment Date(s) in each year and on the Maturity Date (if that does not fall on an Interest Payment Date).

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, unless, if so specified in the applicable Final Terms, a Broken Amount is specified with respect to a particular Fixed Interest Period, in which case the specified Broken Amount will be payable on the Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination (or the Calculation Amount if one is specified), 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. If a Calculation Amount is specified to be applicable, the amount of interest payable in respect of a Note shall be calculated by multiplying the amount of interest (determined in the manner provided above) for the Calculation Amount by the amount by which the Calculation Amount must be multiplied to reach the Specified Denomination of such Note without any further rounding.

(a)(II) Interest on Fixed Rate Reset Notes

(i) Accrual of interest

Each Fixed Rate Reset Note bears interest:

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

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

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

In this Condition 5(a)(II):

"**First Reset Rate**" means the sum of the Reset Margin (as specified in the Final Terms) and the Mid-Swap Rate for the First Reset Period, subject to any amendments resulting from any Benchmark Amendments pursuant to Condition 5(f);

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

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

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

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

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

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

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

"**Reset Reference Bank Rate**" means, in relation to a Reset Date and the Reset Period commencing on that Reset Date, a percentage equal to the arithmetic mean (expressed as a percentage and rounded, if necessary, to the nearest 0.0001 per cent. (0.00005 per cent. being rounded upwards)) of the quotations provided by the Reference Banks of the rates at which swaps in the Specified Currency are offered by it at approximately the Reset Determination Time on the Reset Determination Date to participants in the swap market for the Specified Currency with an equivalent maturity to the Reset Period all as determined by the Calculation Agent. If at least three quotations are provided, the rate for the Reset Date will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two quotations are provided, it will be the arithmetic mean of the quotations provided. If only one quotation is provided, it will be the quotation provided. If no quotations are

provided, the Mid-Swap Rate will be the Mid-Swap Rate for the immediately preceding Reset Period or, if none, the last observable Mid-Swap Rate, prior to the relevant Reset Date, with a term equal or nearest to the relevant Reset Period which appears on the Fixed Reset Rate Relevant Screen Page, as determined by the Calculation Agent; and

"Subsequent Reset Rate" means the sum of the applicable Mid-Swap Rate and the Reset Margin as determined by the Calculation Agent on the relevant Reset Determination Date, subject to any amendments resulting from any Benchmark Amendments pursuant to Condition 5(f).

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

The Calculation Agent will cause the First Reset Rate of Interest, any Subsequent Reset Rate of Interest and each Interest Amount for each Reset Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Fixed Rate Reset Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day (as defined below) thereafter and, in the case of Fixed Rate Reset Notes admitted to the listing on the Luxembourg Stock Exchange and/or on Euronext in Amsterdam, cause each such Rate of Interest, Interest Amount and Interest Payment Date, as the case may be, to be notified to Euronext Amsterdam and/or the Luxembourg Stock Exchange, as the case may be, in accordance with the rules and regulations of such Stock Exchange. Each Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Fixed Rate Reset Notes are for the time being listed and to the Noteholders in accordance with Condition 14.

For the purposes of this paragraph, the expression **"London Business Day"** means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business in London.

(iii) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(a)(II) by the Calculation Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, if applicable, the other Paying Agents and all the Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(b) Interest on Floating Rate Notes

(i) Interest Payment Dates

Each Floating Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date and such interest will be payable in arrears on either:

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

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

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day 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:

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

If "**Unadjusted**" is specified the number of days in each Interest Period shall be calculated, for the purposes of determining the Interest Amount(s) only, as if the Interest Payment Date were not subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

If "**Adjusted**" is specified the number of days in each Interest Period shall be calculated, for the purposes of determining the Interest Amount(s) only, as if the Interest Payment Date is subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

(ii) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms and, subject to any amendments resulting from any Benchmark Amendments pursuant to Condition 5(f), on the following basis:

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified 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 specified in the applicable Final Terms) the Margin (if any). If Inverse Floating Rate Notes is specified as applicable in the applicable Final Terms, the Rate of Interest for each Interest Period will be such Fixed Rate of Interest minus the relevant ISDA Rate plus or minus (as specified in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the 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 2000 ISDA Definitions or 2006 ISDA Definitions, as specified in the applicable Final Terms, as published by the International Swaps and Derivatives Association Inc. and to be obtained at the website www.isda.org, and as amended and updated as at the Issue Date of the first Tranche of the Notes (the "**ISDA Definitions**") and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is the period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is if the applicable Floating Rate Option is based on ICE Swap Rate, LIBOR or EURIBOR, the first day of that Interest Period.

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

(B) Screen Rate Determination for Floating Rate Notes

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

- (1) the offered quotation for the Reference Rate (if there is only one quotation on the Relevant Screen Page); or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations (expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Central European Time (CET), in the case of EURIBOR) or as at such time specified in the relevant Final Terms (in case of ICE Swap Rate) on the Interest Determination Date in question plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more 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.

If the relevant Screen Page is not available or if in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, the Issuer, or a third party on its behalf, shall request each of the Reference Banks (as defined below) to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time (as defined below) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Issuer, or a third party on its behalf, with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Issuer, or a third party on its behalf. The Issuer will inform the Agent about the quotations received from the Reference Banks.

If on any Interest Determination Date one only or none of the Reference Banks provides the Issuer, or a third party on its behalf, with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall:

- (i) if the Reference Rate is EURIBOR or LIBOR, be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Issuer, or a third party on its behalf, by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for the relevant Interest Period by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Issuer, or a third party on its behalf, with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Issuer, or a third party on its behalf, it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone interbank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period); and
- (ii) if the Reference Rate is ICE Swap Rate, be the rate determined on the basis of the mid-market annual swap rate quotations provided by five leading swap dealers in the interbank swap market, as selected by

the Calculation Agent in its sole discretion on the Interest Determination Date at approximately the Specified Time. The mid-market annual swap rate as referred to in the preceding sentence means the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating interest rate swap transaction with a maturity equal to the term mentioned in the relevant interest rate swap transaction for in an amount that is representative for a single transaction in the relevant market commencing on the first day of the Interest Period with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on a 30/360 day count basis (for swap rates in EUR and USD) and an Actual/365 day count basis (for swap rates in GBP), is equivalent to 3 months (for interest rate swaps with a tenor of up to and including 1 year or interest rate swaps in USD) or 6 months (for interest rate swaps with a tenor over 1 year).

Notwithstanding the above, if the Reference Rate cannot be determined because of the occurrence of a Benchmark Event, the Reference Rate shall be calculated in accordance with the terms of Condition 5(f).

In this clause 5(b)(ii)(B):

the expression "**Reference Banks**" means, in the case of a determination of LIBOR or (USD or GBP denominated) ICE Swap Rate, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR or (EUR denominated) ICE Swap Rate, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent; and

the expression "**Specified Time**" means 11.00 a.m. (London time, in the case of a determination of LIBOR, or Central European Time (CET), in the case of a determination of EURIBOR) or as at such time specified in the relevant Final Terms (in the case of ICE Swap Rate).

If Inverse Floating Rate Notes is specified as applicable in the applicable Final Terms, the Rate of Interest for each Interest Period will be such Fixed Rate of Interest minus the relevant Screen Rate of Interest plus or minus (as specified in the applicable Final Terms) the Margin (if any).

(iii) Minimum Rate of Interest and/or Maximum Rate of Interest

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

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

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

(iv) Determination of Rate of Interest and Calculation of Interest Amounts

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

The Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Floating Rate Notes in respect of each Specified Denomination (or the Calculation Amount if one is specified) for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Specified Denomination, 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. If a Calculation Amount is specified to be applicable, the amount of interest payable in respect of a Note shall be the product of the amount of interest (determined in the manner provided above) for the Calculation Amount and the

amount by which the Calculation Amount must be multiplied to reach the Specified Denomination of such Note without any further rounding.

(v) Linear Interpolation for Floating Rate Notes

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified to be applicable in the relevant Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified to be applicable in the relevant Final Terms), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Applicable Maturity**" means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

(vi) Notification of Rate of Interest and Interest Amount

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 are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day (as defined below) thereafter and, in the case of Notes admitted to the listing on the Luxembourg Stock Exchange and/or on Euronext in Amsterdam, cause each such Rate of Interest, Interest Amount and Interest Payment Date, as the case may be, to be notified to Euronext Amsterdam and/or the Luxembourg Stock Exchange, as the case may be, in accordance with the rules and regulations of such Stock Exchange. Each Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) 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 Notes are for the time being listed and to the Noteholders in accordance with Condition 14.

For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business in London.

(vii) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this paragraph (b), whether by the Agent or if applicable, the Calculation Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the Calculation Agent, if applicable, the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent or the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Interest on Partly Paid Notes*

In the case of Partly Paid Notes and absent failure to pay any instalment amount due on any Partly Paid Note, interest will accrue as aforesaid on the paid-up nominal amount of such Notes.

(d) *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:

- (i) the date on which all amounts due in respect of such Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14 or individually.

(e) *Change of Interest Basis Option*

If "**Change of Interest Basis Option**" is specified as applicable in the applicable Final Terms, the Issuer may, subject to notification to the Luxembourg Stock Exchange and/or Euronext Amsterdam (if the Notes are being listed on such stock exchange) and having given:

- (i) notice to the Noteholders in accordance with Condition 14, not less than the number of Business Days equal to the Interest Basis Option Period prior to the date on which the Change of Interest Basis Option shall be effective; and
- (ii) notice to the Agent, not less than the number of Business Days equal to the Interest Basis Option Period prior to the date on which the Issuer Change of Interest Basis Option shall be effective,

(both of which notices shall be irrevocable) exercise the Change of Interest Basis Option upon which exercise the Interest Basis of the Notes changes from the Initial Interest Basis (which shall cease to apply) to the Subsequent Interest Basis (which shall commence to apply), effective as of the Change of Interest Basis Option Date immediately following the date on which the notice referred to above is given.

(f) *Benchmark discontinuation*

- (i) Independent Adviser

If any Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, or, if a Successor Rate is not available, an Alternative Rate (in accordance with Condition 5(f)(ii)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 5(f)(iii)), and any Benchmark Amendments (in accordance with Condition 5(f)(iv)).

An Independent Adviser appointed pursuant to this Condition 5(f) shall act in good faith as an expert and (in the absence of wilful misconduct (*opzet*) or gross negligence (*grove nalatigheid*)) shall have no liability whatsoever to the Issuer, any Paying Agent, the Calculation Agent, the Noteholders, the Receiptholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 5(f).

- (ii) Successor Rate or Alternative Rate

If the Issuer following consultation with the Independent Adviser (only if such Independent Adviser has been appointed by the Issuer) and acting in good faith and in a commercially reasonable manner, determines that:

- (a) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5(f)(iii)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(f)); or
- (b) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5(f)(iii)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(f)).

(iii) Adjustment Spread

If the Issuer following consultation with the Independent Adviser (only if such Independent Adviser has been appointed by the Issuer) and acting in good faith, determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

(iv) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5(f) and the Issuer following consultation with the Independent Adviser and acting in good faith, determines (i) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(f)(v), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 5(f)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Following any Benchmark Amendment, if it becomes generally accepted market practice in the area of publicly listed new issues of notes to use a Benchmark Rate of interest which is different from the Alternative Rate or Successor Rate which had already been adopted by the Issuer in respect of the Notes pursuant to any Benchmark Amendment, the Issuer is entitled to apply a further Benchmark Amendment in line with such generally accepted market practice pursuant to this Condition 5(f).

Notwithstanding any other provision of this Condition 5(f), in respect of Subordinated Notes, the Issuer may decide that no Successor Rate, Alternative Rate or Adjustment Spread will be adopted, nor any other amendment to the Conditions will be made to effect the Benchmark Amendments, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in a CRD IV Capital Event.

(v) Notices, etc.

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5(f) shall be notified promptly by the Issuer to each Paying Agent, the Calculation Agent and, in accordance with Condition 14, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Agent of the same, the Issuer shall deliver to the Agent, a certificate signed by two authorised signatories of the Issuer:

- (a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate and, (iii) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 5(f); and
- (b) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread.

The Agent shall make available such certificate at its offices for inspection by the Noteholders at all reasonable times during normal business hours.

The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the

Benchmark Amendments (if any)) be binding on the Issuer, the Agent, the Calculation Agent, the Paying Agents, the Noteholders, the Receiptholders and the Couponholders.

(vi) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer, as the case may be, under Condition 5(f) (i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Conditions 5(a)(II) and 5(b)(ii) will continue to apply unless and until the Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread (if applicable) and Benchmark Amendments, in accordance with Condition 5(f)(v).

(vii) Definitions

As used in this Condition 5(f):

"Adjustment Spread" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Issuer, following consultation with the Independent Adviser and acting in good faith, determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders, Receiptholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (a) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
- (b) the Issuer determines, following consultation with the Independent Adviser and acting in good faith, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); (or if the Issuer determines that no such industry standard is recognised or acknowledged); or
- (c) the Issuer in its discretion, following consultation with the Independent Adviser and acting in good faith, determines to be appropriate.

"Alternative Rate" means an alternative to the Reference Rate which the Issuer has determined in accordance with Condition 5(f)(ii) which has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and the Specified Currency.

"Benchmark Amendments" has the meaning given to it in Condition 5(f)(iv).

"Benchmark Event" means:

- (a) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (b) a public statement by the administrator of the Original Reference Rate that it will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (c) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (d) a public statement by the supervisor of the administrator of the Original Reference Rate, the effect of which means that the Original Reference Rate will be prohibited from being used or

that its use will be subject to restrictions or adverse consequences, in each case within the following six months; or

- (e) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate.

"Independent Adviser" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5(f)(i).

"Original Reference Rate" means the originally-specified Mid-Swap Rate, or any component customarily used in the determination thereof, or Reference Rate, as the case may be, used to determine the Rate of Interest (or any component part thereof) on the Notes.

"Relevant Nominating Body" means, in respect of a Reference Rate:

- (a) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or
- (b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (w) the central bank for the currency to which the Reference Rate relates, (x) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (y) a group of the aforementioned central banks or other supervisory authorities or (z) the Financial Stability Board or any part thereof.

"Successor Rate" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

6. Payments

(a) *Method of Payment*

Subject as provided below:

- (i) 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 or Wellington respectively); and
- (ii) payments in Euro will be made by credit or transfer to a Euro account (or to any other account to which Euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement) ("**FATCA**"). Any such amounts withheld or deducted will be treated as paid for all purposes under the Notes, and no additional amounts will be paid on the Notes with respect to any such withholding or deduction.

(b) *Presentation of Notes, Receipts and Coupons*

Payments of principal in respect of Definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) 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), other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt. Payment of the final instalment will be made in the manner provided in paragraph (a) above against surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Note. 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 Long Maturity Notes) 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 five years after the date on which such principal first became due (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due. Upon any Fixed Rate Note becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons in respect of any such Talons will be issued.

Upon the date on which any Floating Rate 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 Fixed Interest 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.

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 such Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by such Paying Agent and such record shall be prima facie evidence that the payment in question has been made.

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 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, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or such other applicable settlement institution, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note. No person other than the holder of such Global Note shall have any claim against the Issuer in respect of any payments due on that Global Note.

Notwithstanding the foregoing, U.S. dollar payments of principal and interest in respect of the Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) 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;
- (ii) payment of the full amount of such 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
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(c) *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.

(d) *Interpretation of Principal and Interest*

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

- (i) any additional amounts which may be payable with respect to principal under Condition 8;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Instalment Notes, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7(g)(iii)); and
- (vii) 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 these 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 8.

7. Redemption and Purchase

(a) *At Maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the relevant Specified Currency on the Maturity Date.

(b) *Redemption for Tax Reasons*

If this Condition 7(b) is applicable, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable) if:

- (i) 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 8(b) or the Issuer will not obtain full or substantially full relief for the purposes of Dutch corporate income tax for any interest payable in any case as a result of any change in, or amendment to, the laws or regulations of the Netherlands or any political subdivision or any authority thereof or therein 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 Issue Date of the first Tranche of the Notes; and

- (ii) such obligation cannot be avoided by the Issuer 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 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 a duly authorised representative of the Issuer 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 has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 7(b) will be redeemed at their Early Redemption Amount referred to in Condition 7(g) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

If the Subordinated Notes qualify as Tier 2 Notes, the Issuer must comply with the Applicable Capital Adequacy Regulations (see further Condition 7(n)). A redemption of Tier 2 Notes pursuant to this Condition 7(b) within five years after the Issue Date may only be effected if the Issuer demonstrates to the satisfaction of the Competent Authority that the change or amendment referred to above is a change in the applicable tax treatment of the Tier 2 Notes which is material and was not reasonably foreseeable at the relevant Issue Date as required by 78(4) CRD IV Regulation.

(c) Redemption at the Option of the Issuer (Issuer Call Option)

If "**Issuer Call Option**" is specified as applicable in the applicable Final Terms, the Issuer may, subject to notification to the Luxembourg Stock Exchange and/or Euronext Amsterdam (if the Notes are being listed on such stock exchange) and, in the case of Tier 2 Notes only, Condition 7(n), and having given:

- (i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14; and
- (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Agent,

(both of which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

Any such redemption must be of a nominal amount equal to at least the Minimum Redemption Amount and no more than the Maximum Redemption Amount, both as 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, Clearstream, Luxembourg, Euroclear Netherlands and/or any other applicable settlement institution (to be reflected in the records of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or such other applicable settlement institution as either a pool factor or a reduction in nominal amount, at their discretion), in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter referred to as 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 14 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by Definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of Definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes. 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 7(c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least 5 days prior to the Selection Date.

(d) Redemption at the Option of the Noteholders (Put Option)

If "**Put Option**" is specified as applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than 15 nor more than 30 days' notice or such other period of notice as is specified in the applicable Final Terms (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

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, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent rolling 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, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution, 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, Clearstream, Luxembourg, Euroclear Netherlands or such other applicable settlement institution, as the case may be (which may include notice being given on his instruction by Euroclear, Clearstream, Luxembourg, Euroclear Netherlands, such other applicable settlement institution or any common depositary for them to the Agent by electronic means) in a form acceptable to Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or such other applicable settlement institution, as the case may be, 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 given by a holder of any Note pursuant to this Condition 7(d) shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be 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 7(d) and instead to declare such Note forthwith due and payable pursuant to Condition 10.

(e) Redemption for illegality

In the event that the Agent determines in good faith that the performance of the Issuer's obligations under the Senior Notes or that any arrangements made to hedge the Issuer's obligations under the Senior Notes has or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, the Issuer having given not less than 10 nor more than 30 days' notice to Noteholders in accordance with Condition 14 (which notice shall be irrevocable), may, on expiry of such notice redeem all, but not some only, of the Senior Notes, each Senior Note being redeemed at the Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(f) Obligatory Redemption

If Obligatory Redemption is specified as applicable in the applicable Final Terms, the Issuer has the obligation to redeem the Notes in whole, but not in part, on the applicable Obligatory Redemption Date against payment of the applicable Obligatory Redemption Amount.

(g) Early Redemption Amounts

Unless specified otherwise in the applicable Final Terms, for the purpose of Condition 7(b) and 7(e) above, Condition 7(m) and 7(o) below and Condition 10, the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to the Specified Denomination, at the Final Redemption Amount thereof; or
- (ii) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and 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 Notes are denominated, at its Early Redemption Amount; or
- (iii) in the case of a Zero Coupon Note, at an amount (the "**Amortised Face Amount**") equal to the product of:
 - (A) the Reference Price; and
 - (B) the sum of the figure 1 and the Accrual Yield, raised to the power of x , where 'x' is a fraction the numerator of which is equal to the number of days (calculated on the basis of the Day Count Fraction specified in the applicable Final Terms, or if none is specified in the applicable Final Terms, 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 calculated on the basis of the Day Count Fraction specified in the applicable Final Terms, or if none is specified in the applicable Final Terms, 360.

(h) 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 7(g) above.

(i) Partly Paid Notes

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise at the paid-up nominal amount of such Notes. While any Part Payment Amount due from the holder of Partly Paid Notes is overdue, no interest in a Global Note representing such Notes may be exchanged for Definitive Notes (as the case may be). If any Noteholder fails to pay any Part Payment Amount due on any Partly Paid Notes on any corresponding Part Payment Date, the Issuer may forfeit each such Notes under which such Noteholder so failed to make such payment and the Issuer shall have no further obligation to such Noteholder under each such Note.

(j) Purchases

The Issuer and any of its subsidiaries may purchase Notes (provided that, in the case of Definitive Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are purchased therewith) at any price in the open market or otherwise, subject in the case of Tier 2 Notes only, Condition 7(n). If purchases are made by tender, tenders must be available to all Noteholders alike. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

(k) Cancellation

All Notes which are redeemed will forthwith be cancelled (together with, in the case of Definitive Notes, all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and Notes purchased and cancelled pursuant to Condition 7(j) above (together with, in the case of Definitive Notes, all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

(l) 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 7(a), 7(b), 7(c), 7(d), 7(e) or 7(f) above or Condition 7(m) or 7(o) below 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 7(g)(iii) 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:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders, in accordance with Condition 14.

(m) Redemption, substitution and variation of Tier 2 Notes for regulatory reasons

If Regulatory Call is specified in the applicable Final Terms, such Series of Tier 2 Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable) (a "**Regulatory Call**"), upon the occurrence of a Regulatory Event. Additionally, redemption of Tier 2 Notes is subject to the requirements described in Condition 7(n).

Tier 2 Notes redeemed pursuant to this Condition 7(m) will be redeemed at their Early Redemption Amount referred to in Condition 7(g) above, together with (if appropriate) interest accrued to (but excluding) the date of redemption.

If substitution or variation is specified in the applicable Final Terms and if a CRD IV Capital Event or a Regulatory Event has occurred and is continuing, then the Issuer may, subject to the prior written permission of the Competent Authority provided that at the relevant time such permission is required to be given (but without any requirement for the consent or approval of the Subordinated Noteholders) and having given not less than 30 nor more than 60 days' notice (which notice shall be irrevocable) to the Subordinated Noteholders, either substitute all, but not some only, of the Subordinated Notes or vary the terms of the Subordinated Notes so that they remain or, as appropriate, become compliant with CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time. Upon the expiry of the notice referred to above, the Issuer shall either vary the terms of, or substitute, the Subordinated Notes in accordance with this Condition 7(m), as the case may be, provided that such substitution or variation shall not result in terms that are materially less favourable to the Subordinated Noteholders. For the avoidance of doubt, the Competent Authority has discretion as to whether or not it will approve any such substitution or variation of the Subordinated Notes.

Following such substitution or variation the resulting securities shall (1) have a ranking at least equal to that of the Subordinated Notes, (2) have at least the same interest rate and the same interest payment dates as those from time to time applying to the Subordinated Notes, (3) have the same maturity date and redemption rights as the Subordinated Notes, (4) preserve any existing rights under the Subordinated Notes to any accrued interest which has not been paid in respect of the period from (and including) the interest payment date last preceding the date of variation or substitution, (5) have assigned (or maintain) the same credit ratings as were assigned to the Subordinated Notes immediately prior to such variation or substitution and (6) be listed on a recognised stock exchange if the Subordinated Notes were listed immediately prior to such substitution or variation.

A "**CRD IV Capital Event**" is deemed to have occurred if the whole of the outstanding nominal amount of the Subordinated Notes can no longer be included in full in the Tier 2 capital of the Issuer by reason of their non-compliance with CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time.

A "**Regulatory Event**" shall occur if there is a change in the regulatory classification of a Series of Subordinated Notes that has resulted or would be likely to result in such Subordinated Notes being excluded, in whole, or, if permitted by the Applicable Capital Adequacy Regulations, in part, from the Tier 2 capital (within the meaning of the Applicable Capital Adequacy Regulations) of the Issuer, which change in regulatory classification (or reclassification) (i) becomes effective on or after the Issue Date and, if redeemed within five years after the Issue Date, (ii) is considered by the Competent Authority to be sufficiently certain and (iii) the Issuer has demonstrated to the satisfaction of the Competent Authority was not reasonably foreseeable at the time of their issuance as required by article 78(4) CRD IV Regulation.

(n) Redemption or purchase of Tier 2 Notes

If the Subordinated Notes qualify as Tier 2 Notes, the Issuer must comply with the Applicable Capital Adequacy Regulations, including (i) obtaining the prior written permission of the Competent Authority provided that, at the

relevant time, such permission is required to be given pursuant to article 77 CRD IV Regulation and (ii) demonstrating to the satisfaction of the Competent Authority that the Issuer complies with article 78 CRD IV Regulation, which may include requiring the replacement of the Subordinated Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer, before the Subordinated Notes may be redeemed early by the Issuer or purchased by the Issuer or any of its subsidiaries.

(o) Redemption of Senior Notes - other

The Issuer may at any time, on giving not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14, redeem all but not some only of the Senior Notes for the time being outstanding at their Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption if, prior to the date of such notice, 80 per cent. or more in nominal amount of the Senior Notes of such Series have been redeemed or purchased and cancelled.

If the Prohibition of Sales to Consumers in Belgium is specified as "Not Applicable" in the applicable Final Terms, this Condition 7(o) does not apply and the Notes cannot be early redeemed by the Issuer pursuant to this Condition 7(o).

8. Taxation

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Netherlands or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer 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. in the case of Subordinated Notes only, in respect of payment of any amount of principal; or
 - ii. presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with the Netherlands other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof; or
 - iii. presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder 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; or
 - iv. 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 6(c)).

As used herein, 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 14.

For the avoidance of doubt, no additional amounts will be paid by the Issuer or any Paying Agent on account of any deduction or withholding from a payment on, or in respect of, the Notes where such deduction or withholding is imposed pursuant to, on in connection with, FATCA.

9. 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 becomes 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 6(b) or any Talon which would be void pursuant to Condition 6(b).

10. Events of Default

If in the case of any Senior Notes one or more of the following events (or in the case of any Subordinated Notes, either or both of the events specified in (iii) and (iv)) below (each an "**Event of Default**") shall have occurred and be continuing:

- (i) default is made for more than 14 days in the payment of interest or principal in respect of the Notes; or
- (ii) the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for the period of 30 days next following the service on the Issuer of notice requiring the same to be remedied; or
- (iii) an order is made or an effective resolution is passed for the winding up or liquidation of the Issuer unless this is done in connection with a merger, consolidation or other form of combination with another company and such company assumes all obligations contracted by the Issuer in connection with the Notes; or
- (iv) the Issuer is declared bankrupt or a declaration is made in respect of the Issuer under Article 3:163(1)(b) of the Wft in respect of the Issuer; or
- (v) emergency measures in respect of the Issuer as referred to under Article 3:160 of the Wft are declared.

then any Noteholder 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 the Note held by the holder 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, provided that repayment of Tier 2 Notes under this Condition 10 may only be effected after the Issuer has obtained the prior written permission of the Competent Authority to the extent such permission is required pursuant to the Applicable Capital Adequacy Regulations.

11. 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.

12. Agent and Paying Agents

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out at the end of the Base Prospectus.

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:

- (i) so long as the Notes are listed on any stock exchange, 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 any other relevant authority);
- (ii) there will at all times be a Paying Agent with a specified office in a city in continental Europe;
- (iii) there will at all times be an Agent; and
- (iv) a notice will be published in the case of any change in Paying Agents.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 6(b). 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 14.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer 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.

13. 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 9. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

14. Notices

All notices regarding the Notes shall be published (i) by way of press release, (ii) on the website of the Issuer, and (iii) if and for so long as the Notes are listed on the Luxembourg Stock Exchange and such is required pursuant to the rules and regulations of the Luxembourg Stock Exchange, in a daily newspaper of general circulation in Luxembourg or on the website of the Luxembourg Stock Exchange (www.bourse.lu). 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 (provided that, in the case of any publication required by the rules of such stock exchange, the rules of the stock exchange so permit), so long as the Global Note(s) is or are held in its or their entirety on behalf of Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution, be substituted for the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution for communication by them to the holders of the Notes, provided that, if and for so long as such Notes are listed on the Luxembourg Stock Exchange and such is required pursuant to the rules and regulations of the Luxembourg Stock Exchange, the relevant notice shall also be published in a daily newspaper of general circulation in Luxembourg. Any such notice shall be deemed to have been given to the holders of the Notes on the first day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution.

Where the identity of all the holders of the Notes is known to the Issuer, the Issuer may (after consultation with the relevant stock exchange (where relevant)) give notice individually to such holders in lieu of publication as provided above.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, together 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 via Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution, as the case may be, in such manner as the Agent and Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution, as the case may be, may approve for this purpose.

15. Meetings of Noteholders, Modification and Waiver

The Agency Agreement contains provisions for convening meetings of the Noteholders of each Series to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or certain provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders of each Series holding not less than five per cent. in nominal amount of the Senior Notes or, as the case may be, the Subordinated 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 of each Series for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders of each Series whatever the nominal amount of such Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of such Notes, Receipts and the Coupons (including modifying the date of maturity of such 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 such Notes or altering the currency of payment of such Notes, Receipts or Coupons), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in nominal amount of such Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders of each Series shall be binding on all the Noteholders of such class of Notes, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

An Extraordinary Resolution of the Subordinated Notes shall only be effective when it is not materially prejudicial to the interests of the holders of the Senior Notes.

The Agency Agreement also provides that (i) a resolution in writing signed by or on behalf of the holders of not less than two-thirds in nominal amount of such Notes for the time being outstanding or (ii) consents given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than two-thirds in nominal amount of such Notes for the time being outstanding, shall, in either case, for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Any such resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The Issuer may not vote on any Notes held by it, whether directly or indirectly, and such Notes shall not be taken into account in establishing the total amount outstanding.

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

- (i) any modification (except as mentioned above) of the Agency Agreement which is not materially prejudicial to the interests of the Noteholders; or
- (ii) 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 of the Netherlands; or
- (iii) in accordance with Condition 7(m), substitution of the Subordinated Notes or variation of the terms of the Subordinated Notes in order to ensure that such substituted or varied Subordinated Notes continue to qualify as Tier 2 Notes under CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time.

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 14 as soon as practicable thereafter.

16. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or 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.

17. Substitution of the Issuer

- (a) The Issuer may, with the consent of the Noteholders or Couponholders which will be deemed to have been given in respect of each issue of Notes on which no payment of principal or interest is in default and (in the case of Tier 2 Notes) after written permission of the Competent Authority to the extent required pursuant to the Applicable Capital Adequacy Regulations, be replaced and substituted by any directly or indirectly wholly owned subsidiary of the Issuer or Van Lanschot Kempen N.V. (or any successor parent company of the Issuer) (the "**Substituted Debtor**") as principal debtor in respect of the Notes and the relative Receipts and Coupons provided that:
- (i) such documents shall be executed by the Substituted Debtor and the Issuer as may be necessary to give full effect to the substitution (the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substituted Debtor shall undertake in favour of each Noteholder, Receiptholder and Couponholder to be bound by the Conditions and the provisions of the Agency Agreement as fully as if the Substituted Debtor had been named in the Notes, and the relative Receipts and Coupons and the Agency Agreement as the principal debtor in respect of the Notes and the relative Receipts and Coupons in place of the Issuer and pursuant to which the Issuer shall provide a guarantee (the "**Guarantee**"), in the case the Substituted Debtor is not Van Lanschot Kempen N.V. (or any successor parent company of the Issuer), in favour of each Noteholder and each holder of the relative Receipts and Coupons the payment of all sums (including any additional amounts payable pursuant to Condition 8(b)) payable in respect of the Notes and the relative Receipts and Coupons;
 - (ii) without prejudice to sub-paragraph (i) hereof, where the Substituted Debtor is incorporated, domiciled or resident for taxation purposes in a territory other than the Netherlands, the Documents shall contain a covenant and/or such other provisions as may be necessary to ensure that each Noteholder has the benefit of a covenant in terms corresponding to the provisions of Condition 8 with the substitution for the references to the Netherlands of references to the territory in which the Substituted Debtor is incorporated, domiciled and/or resident for taxation purposes. The Documents shall also contain a covenant by the Substituted Debtor and the Issuer to indemnify and hold harmless each Noteholder, Receiptholder and Couponholder against all liabilities, costs, charges and expenses, provided that insofar as the liabilities, costs, charges and expenses are taxes or duties, the same arise by reason of a law or regulation having legal effect or being in reasonable contemplation thereof on the date such substitution becomes effective, which may be incurred by or levied against such holder as a result of any substitution pursuant to this Condition and which would not have been so incurred or levied had such substitution not been made (and, without limiting the foregoing, such liabilities, costs, charges and expenses shall include any and all taxes or duties which are imposed on any such Noteholder, Receiptholder or Couponholder by any political sub-division or taxing authority of any country in which such Noteholder, Receiptholder or Couponholder resides or is subject to any such tax or duty and which would not have been so imposed had such substitution not been made);
 - (iii) the Documents shall contain a warranty and representation by the Substituted Debtor and the Issuer (a) that each of the Substituted Debtor and the Issuer has obtained all necessary governmental and regulatory approvals and consents for such substitution and the performance of its obligations under the Documents, and that all such approvals and consents are in full force and effect and (b) that the obligations assumed by each of the Substituted Debtor and the Issuer under the Documents are valid and binding in accordance with the respective terms and enforceable by each Noteholder, Receiptholders;
 - (iv) each stock exchange which has Notes listed thereon shall have confirmed that following the proposed substitution of the Substituted Debtor such Notes will continue to be listed on such stock exchange;

- (v) the Substituted Debtor shall have delivered to the Agent or procured the delivery to the Agent of a legal opinion from a leading firm of local lawyers acting for the Substituted Debtor to the effect that the Documents constitute legal, valid and binding obligations of the Substituted Debtor, such opinion to be dated not more than 3 days prior to the date of substitution of the Substituted Debtor for the Issue and to be available for inspection by Noteholders, Receiptholders and Couponholders at the specified office of the Agent;
 - (vi) the Issuer shall have delivered to the Agent or produced the delivery to the Agent of a legal opinion from a leading firm of Dutch lawyers acting for the Issuer to the effect that the Documents (including the Guarantee) constitute legal, valid and binding obligations of the Issuer, such opinion to be dated not more than 3 days prior to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders, Receiptholders and Couponholders at the specified office of the Agent; and
 - (vii) the Issuer shall have delivered to the Agent or procured the delivery to the Agent of a legal opinion from a leading firm of Dutch lawyers (which may be the same lawyers referred to in (vi) above) to the effect that the Documents constitute legal, valid and binding obligations of the Substituted Debtor under Dutch law, such opinion to be dated not more than 3 days prior to the date of substitution of the Substituted Debtor for the Issue and to be available for inspection by Noteholders, Receiptholders and Couponholders at the specified office of the Agent.
- (b) In connection with any substitution effected pursuant to this Condition, neither the Issuer, nor the Substituted Debtor need have any regard to the consequences of any such substitution for individual Noteholders, Receiptholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and no Noteholder, Receiptholder or Couponholder, except as provided in Condition 17(a)(ii), shall be entitled to claim from the Issuer, or any Substituted Debtor, under the Notes and the relative Receipts and Coupons, any indemnification or payment in respect of any tax or other consequences arising from such substitution.
 - (c) In respect of any substitution pursuant to this Condition in respect of the Subordinated Notes of any Series, the Documents shall provide for such further amendment of the Conditions of the Subordinated Notes as shall be necessary or desirable to ensure that the Subordinated Notes of such Series constitute subordinated obligations of the Substituted Debtor and that the Guarantee constitutes a subordinated obligation of the Issuer, subordinated to no greater extent than the Issuer's obligations prior to its substitution to make payments of principal in respect of the Subordinated Notes of such Series under Condition 3 of the Conditions.
 - (d) With respect to Tier 2 Notes, the Issuer shall be entitled, after written permission of the Competent Authority to the extent required pursuant to the Applicable Capital Adequacy Regulations and by notice to the Noteholders given in accordance with Condition 14 at any time either to effect a substitution which does not comply with Condition 17(c) above provided that the terms of such substitution have been approved by an Extraordinary Resolution of the Noteholders or to waive any and all rights to effect a substitution of the principal debtor pursuant to this Condition. Any such notice of waiver shall be irrevocable.
 - (e) Upon the execution of the Documents as referred to in Condition 17(a) above, and subject to the notice referred to in Condition 17(g) below having been given, the Substituted Debtor shall be deemed to be named in the Notes and the relative Receipts and Coupons as the principal debtor in place of the Issuer and the Notes and the relative Receipts and Coupons shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents shall operate to release the Issuer as issuer from all of its obligations as principal debtor in respect of the Notes and relative Receipts and Coupons prior to release and shall inure for the benefit of Noteholders, Receiptholders and Couponholders.
 - (f) The Documents shall be deposited with and held by the Agent for so long as any Notes, Receipts or Coupons remain outstanding and for so long as any claim made against the Substituted Debtor by any Noteholder, Receiptholder or Couponholder in relation to the Notes or the relative Receipts and Coupons or the Documents shall not have been finally adjudicated, settled or discharged. The Substituted Debtor and the Issuer shall acknowledge in the Documents the right of every Noteholder, Receiptholder and

Couponholder to the production of the Documents for the enforcement of any provision of the Notes or the relative Receipts and Coupons or the Documents.

- (g) Not later than 15 business days after the execution of the Documents, the Substituted Debtor shall give notice thereof to the Noteholders in accordance with Condition 14.
- (h) This Condition 17 is only applicable to the Subordinated Notes if the applicable Final Terms so specify.

18. Governing Law and Submission to Jurisdiction

The Agency Agreement, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection therewith, are governed by, and shall be construed in accordance with, the laws of the Netherlands.

The Issuer submits for the exclusive benefit of the Noteholders, the Receiptholders and the Couponholders to the jurisdiction of the courts of Amsterdam, the Netherlands, judging in first instance, and their appellate courts. Without prejudice to the foregoing, the Issuer further irrevocably agrees that any suit, action or proceedings arising out of or in connection with the Agency Agreement, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection therewith, may be brought in any other court of competent jurisdiction.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes. If in respect of any particular issue of Notes, there is a particular identified use of proceeds, including in respect of any Notes which will be designated as sustainability notes or green bonds, this will be specified in the applicable Final Terms.

VAN LANSCHOT N.V.

General

The Issuer was incorporated on 9 March 1970, but can be considered to be the oldest independent Dutch financial institution with a history dating back to 1737. All outstanding shares in the capital of the Issuer are held by the holding company Van Lanschot Kempen N.V. ("**Van Lanschot Kempen**") and accordingly, Van Lanschot Kempen has complete control over the Issuer.

Until 1954, the banking activities were carried out from the offices in 's-Hertogenbosch. After that year, the Issuer's activities gradually expanded. More offices were opened, initially, predominantly, in the southern part of the Netherlands. In the early 1970s, the Issuer took over a number of local banks. With the subsequent increase in the number of clients, the activities in domestic and international money and capital markets grew strongly. During the 1980s, a number of offices were opened in the central part of the Netherlands. From 1991 onward, the Issuer followed a strategy of strong expansion. In addition, offices were opened in Belgium.

Since 1973, in addition to family shareholders, non-family shareholders have been invited to help finance the Issuer's growth. The Issuer's parent company, Van Lanschot Kempen, was listed on Euronext Amsterdam in June 1999.

In 2004, the Issuer acquired CenE Bankiers from ING Bank N.V. The acquisition helped the Issuer to strengthen its position as a prime Dutch bank for high net worth individuals and enhanced its position with healthcare clients. In 2007, the Issuer acquired Kempen & Co N.V. ("**Kempen & Co**") to bolster its position with ultra high net worth individuals, institutional investors, businesses and entrepreneurs.

In 2013, the Issuer performed a strategic review. The Issuer decided to move away from a universal banking model and to instead become a specialist independent wealth manager. The Issuer decided to simplify the organisation, focus the product offering in selected niches and to wind down the corporate loan book. Implementation of these strategic choices allowed the Issuer to begin the change to focusing on helping private and institutional clients to preserve and create wealth.

Also in 2013, the Issuer launched Evi van Lanschot, an online savings and investment platform to extend the offering of the Issuer to mass affluent individuals and first-time investors via a digital platform.

In 2015, the Issuer's subsidiary Kempen Capital Management N.V. ("**KCM**") acquired the UK fiduciary management activities of Dutch pensions and investments manager MN. This acquisition is in line with KCM's strategy of expanding its international activities and activities in the area of fiduciary management.

In December 2016, the Issuer acquired the private banking activities of Staalbankiers. The Issuer has taken over private banking clients of Staalbankiers accounting for (i) around €1.7 billion in assets under management, (ii) around €300 million in savings and (iii) a small number of securities-backed loans. Its specialists support wealthy private individuals, entrepreneurs, professionals and institutions such as charitable organisations.

In June 2017, the Issuer announced that it had reached agreement on the acquisition by the Issuer of UBS's domestic wealth management activities in the Netherlands. The transaction comprised the client relationships and employees of the wealth management activities of UBS Netherlands, a branch of UBS Europe SE, having Assets under Management (AuM) of around €2.5 billion at the time. The transaction further comprised the products and services of the Netherlands branch of UBS Europe SE. The transaction was completed in August 2017. The combination of the domestic wealth management activities of UBS in the Netherlands with the Issuer's offering results in a proposition for family offices, foundations and charities and ultra-high net worth private individuals.

Incorporation and business objects

The Issuer is incorporated as a public limited liability company (*naamloze vennootschap*) under Dutch law and has its statutory seat at 's-Hertogenbosch, the Netherlands. The Issuer is registered in the trade register of the Chamber of Commerce (*Kamer van Koophandel*) under No. 16038212. The Issuer's registered office is at Hooge Steenweg 29, 5211 JN 's-Hertogenbosch, the Netherlands. Its telephone number is +31 (0)73 548 35 48 (for investor relations: +31 (0)20 354 45 90).

The objects and purposes of the Issuer are described in article 2 of its articles of association. The objects of the Issuer are to carry on the business of banking and of dealings in securities, to administer the property of others,

to act as insurance agent, to participate in other companies and to perform all kinds of other activities and to render all kinds of other services which are connected therewith or may be conducive hereto, all this to be interpreted in the widest sense.

Regulatory status

The Issuer qualifies as a credit institution within the meaning of the CRD IV Regulation, the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012. The Issuer is authorised by DNB (*De Nederlandsche Bank N.V.*) to pursue the business of a bank (*bank*) in the Netherlands, in accordance with the Wft and is consequently under direct supervision by DNB. As of 4 November 2014, the Issuer is subject to indirect supervision by the ECB under the new system of supervision, which comprises the ECB and the national competent authorities of participating EU Member States, the SSM. In addition, the Issuer is supervised by the AFM for the purpose of market conduct supervision.

Recent legal name changes of the Issuer and of Van Lanschot Kempen

Van Lanschot Kempen N.V. was named Van Lanschot N.V. until the annual general meeting of shareholders held on 18 May 2017, in which a proposal to amend its articles of association was adopted, pursuant to which (amongst others) the legal name was changed to Van Lanschot Kempen N.V. instead of Van Lanschot N.V. on 29 June 2017.

This name change captures the wealth management strategy as launched in 2013, defining Van Lanschot Private Banking, Evi van Lanschot, Kempen Asset Management and Kempen Merchant Banking as core activities of the Van Lanschot Kempen group. The new group name reflects this strategy and the importance of each of the brands. It enables the group to make a clearer distinction between Van Lanschot Private Banking and Van Lanschot Kempen as a listed entity.

On 23 May 2018, the articles of association of the Issuer were amended, pursuant to which its legal name was changed from F. van Lanschot Bankiers N.V. to Van Lanschot N.V. This legal name change reflects the transformation to a specialised wealth manager, since the launch of its wealth management strategy in 2013.

Business segmentation & strategy

The Issuer is a specialist, independent wealth manager dedicated to the preservation and creation of wealth for its private and institutional clients. The Issuer's primary operating segments consist of Van Lanschot Private Banking, Evi van Lanschot, Kempen Asset Management and Kempen Merchant Banking. The Issuer's wealth management strategy is strongly focused on its primary operating segments and product offering in selected niches and achieving a capital light business model. Implementation of the Issuer's strategic focus has allowed the Issuer to concentrate on helping private and institutional clients to preserve and create wealth.

Van Lanschot Private Banking

Within Van Lanschot Private Banking, the Issuer focuses on entrepreneurs, family businesses and (ultra) high net-worth individuals, while also offering specialised services for business professionals and executives, healthcare professionals, and foundations and charities. With a network of 37 offices and client reception venues in the Netherlands, Belgium and Switzerland, the Issuer differentiates itself, either direct or through its subsidiaries, by building a clearly defined local presence. The Issuer's foreign and international private banking activities are performed through its Belgian branch and its Swiss subsidiary, F. van Lanschot Bankiers (Schweiz) AG.

Evi van Lanschot

In 2013, the Issuer launched Evi van Lanschot, its online platform, as part of its Van Lanschot Private Banking segment. Evi van Lanschot was introduced as online investment and savings coach, attracting new clients and assets. Evi van Lanschot plays into the trend of increased individual responsibility for pensions, healthcare and other needs at all levels of society. Evi van Lanschot uses the investment expertise from the Van Lanschot Private Banking segment to provide the younger generation and mass affluent clients a trusted space to build and preserve wealth through a digital offering of investments, savings and pensions products. In February 2016, the Evi van Lanschot online platform was introduced in Belgium, supporting the Evi van Lanschot savings platform which has been active in Belgium since 2013. Since spring 2016 Evi van Lanschot is positioned as a separate operating segment of the Issuer.

Kempen Asset Management

KCM is the Issuer's specialist European investment management boutique with a sharp focus and a clear investment philosophy. KCM focuses on a limited number of high quality investment strategies: small caps, property, high-dividend equities, fixed-income securities and funds of hedge funds. In addition, KCM offers clients a fiduciary service that provides them with fully comprehensive asset management solutions. It targets open architecture-based banks and asset managers, pension funds, insurance companies and foundations and associations. KCM has offices in Amsterdam, London and Paris. KCM announced on 4 December 2018 that is closing its Edinburgh office and centralising the management of its small-cap investment strategies in Amsterdam.

Kempen Merchant Banking

The Issuer's merchant banking segment (operated through Kempen Corporate Finance and Kempen Securities) offers specialist services including equities research and trading, mergers and acquisitions, capital market transactions as well as debt advisory services to institutional clients, corporates, financial institutions and semi-public and public entities. The merchant banking segment has adopted a niche strategy, focusing on the European real estate, European life sciences and healthcare, European infrastructure, financial institutions & fintech and the Benelux market. It also has a structured products franchise and global property index product offering. Kempen Merchant Banking has offices, in Amsterdam, Antwerp, London and New York.

Other Activities

This segment comprises the activities in the field of interest rate, market and liquidity risk management, the equity investments of Van Lanschot Participaties (which was partly divested in December 2017), Van Lanschot Chabot (an independent insurance adviser and intermediary), the Issuer's non-strategic investments and one-off charges under the investment and cost reduction programme in 2013 and 2014.

Corporate Banking

Within Corporate Banking a team of specialists is engaged in gradually winding down the real estate financing and SME loan portfolios not specifically linked to Private Banking clients. The wind down is implemented gradually by informing clients about the Issuer's intention to cease these activities, and directing them to other sources of financing.

Strategy 2020

The Issuer's wealth management strategy was updated in April 2016. The updated strategy, Strategy 2020, entailed responding to the changing needs of clients, trends and developments within the financial sector and the challenging economic climate. The shift of responsibility for building a pension from the collective to the individual and the change of client expectations due to technological advances and digitisation are examples of this. New financial targets were set for 2020, including a CET1 target ratio of 15-17%, an efficiency target ratio of 60-65% and a target return on CET1 of 10-12%. In addition, the ambition to return at least €250 million capital to Van Lanschot Kempen shareholders, subject to approval of its regulator, was announced.

Following this, starting from the 2016 financial year the target dividend pay-out ratio was raised from 40-50% to 50-70%. In August 2017, the Issuer's parent company, Van Lanschot Kempen, proposed a capital return to its shareholders of €1 per share. This capital return proposal was, amongst others, approved at the Extraordinary General Meeting of Shareholders of Van Lanschot Kempen on 11 October 2017. Subsequently, a total of over €41 million was returned to Van Lanschot Kempen shareholders on 20 December 2017.

On 22 August 2018, Van Lanschot Kempen announced a proposal for a special capital return to its shareholders of €1.50 per share (a total payment of over €60 million). The proposal was approved at the Extraordinary General Meeting of Shareholders of Van Lanschot Kempen on 5 October 2018. This payment, which was made on 19 December 2018, takes the total capital returned to €210 million.

Legal and Arbitration Proceedings

Save as disclosed in this section, the Issuer is not, or during the 12 months preceding the date of this Base Prospectus has not been, involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which will have or have had in the recent past significant effects on the financial position or profitability of the Issuer and its consolidated subsidiaries.

The Issuer is involved in a number of proceedings and settlement negotiations, all of which are in the ordinary course of business and which may individually not have a significant effect, but may be relevant for a large number of similar cases or potential future cases. Proceedings generally relate to alleged violations of the

Issuer's duty of care vis-a-vis its (former) customers and as such concern, among others, alleged violations of the obligation to provide adequate information on products and services, the provision of allegedly inadequate investment advice or the provision of excessive loan amounts based on customer profiles. While it is not feasible to predict or determine the ultimate outcome of all pending or threatened legal and regulatory proceedings, the Issuer believes that the proceedings disclosed in this chapter, may have a significant effect on the financial position or profitability of the Issuer and its consolidated subsidiaries.

See 'Risk Factors — The Issuer's business may be negatively affected by adverse publicity, regulatory actions or litigation with respect to such business, other well-known companies or the financial services industry in general'

Sale of interest rate derivative instruments to SME clients

The Issuer has, in the period up to 2013, sold interest rate derivative instruments to SMEs in the Netherlands. In general, derivative instruments sold by Dutch financial institutions have, as a result of the sharp fall in interest rates during the past few years, not worked out as expected and – in some cases – caused losses to the business owners that purchased them. As from 2015 these business owners, both individually and collectively, have taken the position that the banks failed to provide adequate information about the risks related to these instruments and demanded financial compensation. Different special purpose organisations, such as the 'Stichting Rentewapschadeclaim' and the 'Stichting Swapschade', are offering to represent the business owners collectively. Several individual business owners initiated legal proceedings against competitors of the Issuer and obtained enforceable rulings contemplating financial compensation. In comparison to other banks, the Issuer has limited financial exposure on the relevant portfolio as its sales were to approximately one hundred and twenty SME clients. The Issuer has received a limited number of complaints from interest rate derivative clients. The Issuer has, nevertheless, along with most other Dutch banks decided to participate in the initiative of the Dutch Minister of Finance to create a uniform recovery framework. A panel of three independent experts has been instructed to reach an agreement with Dutch banks. On 19 December 2016, an agreement between the participating Dutch banks and the panel was reached. Subsequently, a recovery framework was presented which allows for an efficient review of the relevant portfolio of each bank and a scheme for prompt settlement of damages. The Issuer completed the review of its portfolio and offered compensation to the affected one hundred and twenty (former) clients. Most (former) clients accepted such compensation. Additionally (above the aforementioned group of approximately one hundred and twenty clients), the Issuer sold interest rate derivative instruments to a group of approximately ninety clients to whom the general recovery framework does not apply and to whom, as a result, no courtesy payments will be made. Such clients to whom no courtesy payments will be made and clients who have not accepted the offered compensation, may decide to initiate legal proceedings against the Issuer and claim damages from the Issuer directly. Currently, legal proceedings with various (former) clients are pending. At the end of 2017, the Issuer made an additional €1.7 million provision for the interest rate derivatives recovery framework, in view of increased implementation costs. This takes the total provision for compensation, implementation costs and legal proceedings over the years 2015 to 2017 to €11.5 million.

Sale of commercial real estate loans

In 2015, the Issuer sold a portfolio of non-performing commercial real estate loans to a company affiliated to Cerberus Capital Management, L.P. The sale concerned loans with a total nominal amount of €400 million and about 120 client relationships. In relation to this sale, various debtors have filed complaints with the Issuer. A number of individual debtors have initiated legal proceedings against the Issuer, stating that the transfer of the debtor's loan and the rights related thereto was invalid. In relation to one individual debtor, the court of Oost-Brabant ruled on 20 September 2017 that the transfer of the contractual relationship with the debtor to the buyer of the loan was invalid. However, the transfer of the Issuer's claims against the debtor under the loan to the buyer of the loan was upheld in the decision. The Issuer has filed an appeal against this verdict. The outcome of the appeal proceedings is, by nature, not certain. However, the potential financial impact of a negative decision for the Issuer is likely to remain limited. Currently, a limited number of proceedings with other debtors are still pending. Even though the transaction occurred in 2015, additional claimants may still come forward which may result in additional proceedings against the Issuer.

Shares and shareholders

The issued share capital of the Issuer consists of 400,000 shares of €100 each. All shares are nominative shares. Share certificates have not been issued. All 400,000 issued shares of the Issuer are held by Van Lanschot Kempen and have been fully paid up.

The authorised share capital of Van Lanschot Kempen consists of 150,000,000 shares of €1 nominal value each, and is divided equally into ordinary shares A ("**Class A Shares**") and preference shares C ("**Class C Shares**").

Class C Shares have not been issued. The outstanding ordinary share capital of Van Lanschot Kempen on the date hereof amounts to EUR 41,361,668. Almost all of the Class A Shares are held by Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen (the "STAK"), which has issued depositary receipts for these shares. These depositary receipts for Van Lanschot Kempen shares, are listed and traded on Euronext in Amsterdam. The issuance of depositary receipts does not have a protective nature. In line with the Dutch Corporate Governance Code 2016 (the "**Corporate Governance Code**"), the STAK allows holders of depositary receipts to exercise their voting rights at all times. The depositary receipts and STAK exist so as prevent circumstances where a majority (including a chance majority) of shareholders can control the decision-making process as a result of absenteeism at a general meeting. The STAK exercises the voting right in the interest of the holders of depositary receipts for shares, taking into account the interest of Van Lanschot Kempen, the enterprise associated therewith and all parties concerned. A depositary receipt can be converted into the underlying Class A Share without any restrictions. The board of the STAK consists of three members and is independent from Van Lanschot Kempen. The STAK collects the dividends for the account of the holders of the depositary receipts and distributes the dividends directly to such holders.

In compliance with chapter 5.3 of the Wft the following holdings have been included in the Substantial Holdings register of the AFM. The percentages shown are calculated on the basis of the holdings reported by the respective shareholder or holder of depositary receipts with the AFM at the date of notification and the current number of outstanding shares. Actual holdings may differ on the date hereof. The STAK currently holds more than 99.99% of the Class A Shares.

Van Lanschot Kempen's shareholder base was significantly broadened in June 2016 with the successful, fully marketed offering of the 30% shareholding held by Delta Lloyd in Van Lanschot Kempen. This broader shareholder base is expected to contribute to greater liquidity in the shares.

Shareholder	Date of notification	Holding
Stichting Administratiekantoor van gewone aandelen A Van Lanschot Kempen	24/05/2013	97.30%

Holder of depositary receipts	Date of notification	Holding
Stichting Pensioenfonds ABP (via/through APG Asset Management N.V.)	30/01/2018	9.89%
LDDM Holding B.V.	03/06/2014	9.68%
Janus Henderson Group Plc	17/10/2016	5.56%
Reggeborgh Invest B.V.	09/04/2018	5.00%
Wellington Management Group LLP	05/11/2018	4.96%
FMR LLC	07/07/2016	4.96%
CRUX Asset Management Limited	14/09/2017	3.23%
Investec Asset Management Limited	03/01/2018	3.09%
T. Rowe Price	09/05/2017	3.06%
Invesco Limited	11/08/2017	2.99%

Disclosure is required once a holder's interest reaches, exceeds or falls below a threshold value. The current interest of a shareholder or a holder of depositary receipts may consequently differ from the interest reported on the disclosure date.

Capitalisation

(x € thousand)

	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Share capital and reserves				
Issued and fully paid	40,000	40,000	40,000	40,000
Reserves ¹	1,244,115	1,292,860	1,309,658	1,300,470
Equity attributable to non-controlling interests	11,249	16,264	15,264	13,456
Equity	1,295,365	1,349,124	1,364,922	1,353,926
Subordinated debt	173,532	166,802	166,766	167,218
Total equity and subordinated debt	1,468,896	1,515,926	1,531,689	1,521,144
Debt securities ²	2,952,967	3,383,124	3,401,645	3,010,349
Total capitalisation	4,421,863	4,899,050	4,933,334	4,531,493

1) The line item 'Reserves' is comprised of Share premium reserve, Other reserves and Undistributed profit attributable to shareholder.

2) The line item 'Debt securities' is comprised of Financial liabilities designated at fair value through profit or loss and Issued debt securities.

The 2016 figures and 2017 figures have been derived from the Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017. The semi-annual 2017 figures and the semi-annual 2018 figures have been derived from the Issuer's unaudited (and unreviewed) consolidated interim (semi-annual) financial statements as of and for the period ended 30 June 2018. International Financial Reporting Standard, as adopted by the European Union ("IFRS") and the interim financial statements have been prepared in accordance with IAS 34. The consolidated statement of financial position reflects new presentation requirements related to the application of IFRS 9 from 1 January 2018.

Risk policy

Risk policy

The Issuer's primary risk management objective is to maintain a low risk profile featuring robust liquidity and strong capital positions. Every year, the Issuer evaluates its risk appetite, which is then formalised in a revised risk appetite statement. This statement, which contains both qualitative and quantitative elements, is determined by the statutory board of the Issuer (the "**Statutory Board**") and subject to the Supervisory Board's approval. In 2014, the Issuer refined its risk appetite further, now taking into more specific account the Issuer's own risk-bearing capacity (i.e. the extent to which the impact of the risks can be absorbed). The risk appetite of the Issuer is based on the following key principles:

- The Issuer only takes risks that can be understood and explained.
- The Issuer only takes risks that directly or indirectly linked to its strategic objectives.
- The sum of all risks must not exceed the risk-bearing capital.
- When taking risks, the Issuer takes into account the interests of all its stakeholders.
- The risk appetite must be taken into consideration in all key decisions at every level of the organisation.
- The Issuer operates within the framework of applicable legalisation and regulations.
- The Issuer does not take any risks that could serious harm its reputation.

The Issuer pursues a prudent risk policy, and risk management and control are important elements of its business operations. The Issuer's risk management system principally, but not exclusively covers the following risks:

- Credit risk
- Market risk
- Interest rate risk affecting Private Banking
- Concentration risk
- Liquidity risk
- Operational risk

- Strategic risk
- Compliance risk

Framework

The organisation of the risk framework is based on the three lines of defence principle. Day-to-day responsibility for risk control is assigned to commercial and/or operational departments (first line). Group Compliance and Group Risk Management form the second line and are responsible for initiating risk policy and supervision of risk control within the Issuer. Group Audit forms the third line and is responsible for performing independent audits on amongst others the risk framework. This creates a clear, balanced and adequate division of tasks, powers and responsibilities, ensuring independent and effective fulfilment of the risk management function.

The Supervisory Board supervises the risks and capital adequacy requirements in relation to the Issuer's operations and portfolio. It has set up two committees for this purpose. The Risk Committee of the Supervisory Board prepares the groundwork for the monitoring and supervision of the risk profile and risk management by the Supervisory Board on all risks identified in the Issuer's business activities and its risk framework. The Audit and Compliance Committee was created to advise the Supervisory Board on financial reporting, internal and external audits, as well as on compliance matters and duty of care.

The Statutory Board has ultimate responsibility for the existence and effective functioning of the processes that enable the Issuer to hold sufficient capital in the light of its objectives (combined with its risk appetite) and the statutory capital adequacy requirements. Within this scope, the Statutory Board has delegated specific tasks to various divisions or committees. Each committee has both policy and steering/implementation authority. At least one member of the Statutory Board has a seat on each committee.

Executive Board, Statutory Board and Supervisory Board

Board practices of the Issuer and Van Lanschot Kempen

Each of the Issuer and Van Lanschot Kempen is a two-tier board company. Supervision of the Statutory Board and the general conduct of affairs is entrusted to the Supervisory Board. Members of the Supervisory Board and members of the Statutory Board of the Issuer are appointed by the General Meeting of the Issuer. Members of the Statutory Board of Van Lanschot Kempen are appointed by the Supervisory Board of Van Lanschot Kempen. Members of the Supervisory Board of Van Lanschot Kempen in turn are appointed by the General Meeting of Shareholders of Van Lanschot Kempen.

Members of the Supervisory Board and the members of the Statutory Board of the Issuer also form the Supervisory Board and the Statutory Board of Van Lanschot Kempen respectively.

Executive Board

The Executive Board of Van Lanschot Kempen (the "**Executive Board**") oversees the implementation of the strategy and manages the four activities (Private Banking, Evi van Lanschot, Asset Management and Merchant Banking) of the Issuer. The Executive Board consists of the members of the Statutory Board and the members of the Management Board of Kempen & Co. The members of the Statutory Board have ultimate responsibility for the actions and decisions of the Executive Board.

The members of the Executive Board are:

Mr K.K. Guha (1964)

Nationality	Dutch.
Position	Chairman of the Executive Board and of the Statutory Board.
Appointed as of	2 January 2013. Latest reappointment on 18 May 2017. Term of office expires on the day of the Annual General Meeting of Shareholders to be held in 2021.
Areas of responsibility	Evi van Lanschot, Corporate Banking, Company Secretariat/Legal, Strategy & Corporate Development, Human Resource Management, Communications, Compliance, Group Audit and Van Lanschot Belgium.

Significant supervisory board memberships and board positions	Mr Guha holds a total of two board and supervisory roles.
<u>Mr C.T.L. Korthout (1962)</u>	
Nationality	Dutch.
Position	Chief Financial Officer / Chief Risk Officer, member of the Executive Board and the Statutory Board and of the Management Board of Kempen & Co.
Appointed as of	27 October 2010. Latest reappointment on 31 May 2018. Term of office expires at the close of the Annual General Meeting of Shareholders to be held in 2022.
Areas of responsibility	Finance Reporting & Control, Treasury, Group Risk Management and Credit Restructuring & Recovery.
Significant supervisory board memberships and board positions	Mr Korthout holds a total of four board and supervisory roles.
<u>Mr A.J. Huisman (1971)</u>	
Nationality	Dutch.
Position	Chief Operating Officer, member of the Executive Board and of the Statutory Board.
Appointed as of	6 May 2010. Latest reappointment on 31 May 2018. Term of office expires at the close of the Annual General Meeting of Shareholders to be held in 2022.
Areas of responsibility	Group IT, Service Centres: Securities; Data Management; Procurement, Contract Management & Facilities.
Significant supervisory board memberships and board positions	Member of the Supervisory Board of Van Lanschot Chabot Holding B.V.
	Mr Huisman holds a total of four board and supervisory roles.
<u>Mr R.P. Bruens (1967)</u>	
Nationality	Dutch.
Position	Member of the Executive Board and Statutory Board.
Appointed as of	15 May 2014. Latest reappointment on 31 May 2018. Term of office expires at the close of the Annual General Meeting of Shareholders to be held in 2022.
Areas of responsibility	Private Banking, Digital and Innovation, Van Lanschot Marketing, Corporate Social Responsibility, Van Lanschot Switzerland.
Significant supervisory board memberships and board positions	Member of the Supervisory Board of Van Lanschot Chabot Holding B.V. Member of the Supervisory Board of Feyenoord.
	Mr Bruens holds a total of five board and supervisory positions.

Ms L. Boeren (1963)

Nationality	Dutch.
Position	Chairman of the Management Board of Kempen & Co and of KCM and member of the Executive Board.
Appointed as of	5 February 2018.
Areas of responsibility	Asset Management, Kempen Corporate and Legal Affairs, Kempen Communications & Marketing.
Significant supervisory board memberships and board positions	Air France-KLM, Independent member of the Board of Director and of the Audit Committee. Tata Steel Nederland, Member of the Supervisory Board Transtrend, Member of the Supervisory Board. Ms Boeren holds a total of five board and supervisory roles.

Ms L. van der Sar (1969)

Nationality	Dutch.
Position	Member of the Management Board of Kempen & Co and of the Executive Board.
Appointed as of	1 August 2017.
Areas of responsibility	Merchant Banking, Corporate Finance, Equity Capital Markets, Securities.
Significant supervisory board memberships and board positions	Ms Van der Sar holds no other board or supervisory roles.

Supervisory Board

The members of the Supervisory Board are:

Mr W.W. Duron (1945)

Nationality	Belgian.
Position	Chairman of the Supervisory Board.
Appointed as of	10 May 2007; Third term of office expires in 2019.
Significant other supervisory board memberships and board positions	Windvision B.V., Chairman Board of Directors. Mr Duron holds a total of three board and supervisory positions.

Mr M. Schepers (1960)

Nationality	Dutch.
Position	Deputy Chairman of the Supervisory Board.
Appointed as of	18 May 2017; First term of office expires in 2021.
Significant other supervisory board memberships and board positions	NWB Bank, Member of the Supervisory Board, Fotowatio Renewable Ventures, Member of the

	Supervisory Board, Almar Water Solutions, Member of the Supervisory Board.
Principal other positions or offices held	Amsterdam Institute of Finance, UWC Atlantic College, National Maritime Museum (<i>Stichting Het Compagnie Fonds</i>), European Fund for Strategic Investments, Cardano Development.
	Mr Schepers holds a total of seven board and supervisory positions.
<u>Ms J.G.H. Helthuis (1962)</u>	
Nationality	Dutch.
Position	Member of the Supervisory Board.
Appointed as of	2 July 2013. Second term of office expires in 2021.
Principal position	Managing Director of PC Hooft Groep.
Significant other supervisory board memberships and board positions	Prorail B.V., Member of the Supervisory Board.
Significant other positions or offices held	Nintes, Member of the Advisory Council.
	Ms Helthuis holds a total of seven board and supervisory positions.
<u>Ms B.J.M. Langius (1960)</u>	
Nationality	Dutch.
Position	Member of the Supervisory Board.
Appointed as of	Appointed as of 13 May 2015; First term of office expires in 2019.
Significant other supervisory board memberships and board positions	IBM Nederland B.V., Member of the Supervisory Board, BDO Nederland, Member of the Supervisory Board and of the Audit Committee, Ingenico ePayments Nederland, Member of the Supervisory Board and of the Audit Committee.
	Ms Langius holds a total of five board and supervisory positions.
<u>Mr A.F.J. van Overmeire (1956)</u>	
Nationality	Dutch.
Position	Member of the Supervisory Board.
Appointed as of	30 January 2017; First term of office expires in 2021.
Significant other supervisory board memberships and board positions	CIZ (<i>Centrum indicatiestelling zorg</i>), Chairman of the Audit Advisory Committee.
	Mr Van Overmeire holds a total of two board and supervisory positions.

Mr M.H. Muller (1954)

Nationality	Dutch.
Position	Member of the Supervisory Board.
Appointed as of	31 May 2018; first term expires in 2022.
Significant other supervisory board memberships and board positions	Stichting Continuïteit TomTom, Chairman.
Significant other positions or offices held	Allen & Overy LLP, of counsel. Mr Muller holds a total of two board and supervisory positions.

Mr F.L. Blom (1962)

Nationality	Dutch.
Position	Member of the Supervisory Board.
Appointed as of	5 October 2018; first term expires in 2023.
Significant other supervisory board memberships and board positions	Boston Consulting Group, senior partner and managing director. Mr Blom holds no other board or supervisory positions.

There are no potential or actual conflicts of interest between any duties owed to the Issuer by the members of the Supervisory Board or the Executive Board, and their private interests and/or other duties.

The business addresses of the persons mentioned under this section are at the address of the Issuer.

Audit and Compliance Committee

The Audit and Compliance Committee of the Issuer is a permanent committee, consisting of members of the Supervisory Board. It has the duty to advise the Supervisory Board on financial reports, internal and external audit reports and compliance matters of the Issuer. In principle, the Audit and Compliance Committee consists of a minimum of three members. The current members of the Audit and Compliance Committee are Mr A.F.J. van Overmeire (chairman), Mr W.W. Duron, Ms J.G.H. Helthuis and Mr M. Schepers.

The Audit and Compliance Committee can only exercise the powers it is explicitly provided with or the powers delegated to it by the Supervisory Board. The Audit and Compliance Committee can never exercise more powers than those of the entire Supervisory Board, or than those the Supervisory Board has provided to or delegated to the Audit and Compliance Committee. Accordingly, the Audit and Compliance Committee advises and supports the Supervisory Board.

Van Lanschot Kempen subscribes to the principles of the Corporate Governance Code

As a non-listed company, the Issuer is not bound by the Corporate Governance Code. Van Lanschot Kempen, as the listed holding company of the Issuer is in compliance with the Corporate Governance Code.

The Corporate Governance Code contains principles and best practice provisions that regulate relations between the management board, the supervisory board and the shareholders (including the general meeting of shareholders). The Corporate Governance Code aims to define responsibilities for long-term value creation, risk control, effective management and supervision, remuneration, and relationships with shareholders and stakeholders.

Van Lanschot Kempen complies with the Corporate Governance Code. However, in 2017 Van Lanschot Kempen deviated from best practice clause 3.1.2.vi, which states that shares awarded to management board members should be held for at least five years after they are awarded. Van Lanschot Kempen's remuneration policy for the members of the Statutory Board stipulates that their fixed salary is paid partly in cash and partly in

depository receipts for Class A Shares. In principle, a lock-up period of three years after delivery applies to these shares. This period is extended until the Statutory Board member in question complies with the share ownership guidelines that form part of our remuneration policy. These guidelines stipulate that all members of the Statutory Board must build up and hold a shareholding during their term of office that is equivalent to twice the cash portion of their fixed gross annual salary. In view of this additional obligation, the period during which the shares must be retained has been set at three years from the day they were granted. Van Lanschot Kempen's shareholder ownership guidelines emphasise the long-term interests of Van Lanschot Kempen and therefore follow the spirit of clause 3.1.2.vi. Van Lanschot Kempen's remuneration policy for the members of the Statutory Board does not include a variable remuneration component. As of 1 January 2018, the lock-up period for fixed pay in depository receipts for Class A Shares has been increased to five years and Van Lanschot Kempen no longer deviates from best practice clause 3.1.2.vi.

The Issuer subscribes to the principles of the Dutch Banking Code

The updated Dutch banking code (*Code Banken*) ("**Banking Code**") came into effect on 1 January 2015, superseding the original Banking Code which had been in force since 1 January 2010. The Banking Code contains principles on sound and ethical business operations, governance, risk policy, audit and remuneration policy.

In 2017, the Issuer complied with the Banking Code. Where banks that are subject to the Banking Code, such as the Issuer, form part of a group, parts of the Banking Code may be applied at the level of the entity which acts as the head of the group, rather than at the level of individual subsidiaries. Certain parts of the Banking Code are therefore applied at the level of Van Lanschot Kempen.

Key financial information of the Issuer

(x € million)

	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Statement of income				
Total income from operating activities	261.7	567.3	276.3	524.4
Operating expenses	227.3	457.5	210.9	440.7
Impairments	-4.6	-10.7	-1.5	-2.1
Operating profit before tax	39.0	120.5	67.0	85.8
Net profit from continuing operations	32.6	94.9	56.2	69.8
Efficiency ratio (%) ¹	81.1	76.2	71.1	79.6
Weighted average number of outstanding ordinary shares	400,000	400,000	400,000	400,000
Earnings per share based on average number of ordinary shares (€)	91.13	223.77	148.81	164.34
Number of staff (FTEs) ²	1,640	1,658	1,647	1,670

(x € million)

	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Balance sheet				
Equity attributable to shareholder	1,284	1,333	1,350	1,340
Equity attributable to non-controlling interests	11	16	15	13
Public and private sector liabilities	9,281	9,145	9,387	9,680
Loans and advances to the public and private sectors	8,958	9,103	9,470	9,624
Total assets	14,512	14,659	14,952	14,877
Funding ratio (%) ³	103.6	100.5	99.1	100.6

<i>(x € billion)</i>				
	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Client assets				
Client assets	83.7	83.6	72.0	69.4
- Assets under management	69.1	69.2	57.1	54.6
- Assets under monitoring and guidance	3.4	3.5	3.0	3.0
- Assets under administration	1.9	1.8	2.5	2.1
- Savings & deposits	9.3	9.1	9.4	9.7

<i>(x € million)</i>				
	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Key figures of Van Lanschot N.V.				
Risk-weighted assets ⁴	4,798	4,979	5,359	5,623
Common Equity Tier I-ratio ⁴	21.4	20.5	19.6	19.0
Tier I ratio (%) ⁴	21.4	20.5	19.7	19.0
Total capital ratio (%) ⁴	24.7	23.6	20.6	20.9
Return on average Common Equity Tier I capital (%) ⁵	8.7	10.4	12.5	7.3

- 1) Efficiency ratio is defined as operating expenses as a percentage of income from operating activities, excluding one-off gains and losses.
- 2) Excluding non-strategic investments.
- 3) Funding ratio is defined as the Issuer's public and private sector liabilities as a percentage of its loans and advances to the public and private sectors (i.e. excluding the Issuer's liabilities due to banks and its assets to banks).
- 4) Full-year 2016 and full-year 2017 based on phase-in and including retained earnings. At 30 June 2017 and 2018 based on phase-in and excluding retained earnings.
- 5) Based on underlying net result (annualised).

The 2016 figures and 2017 figures have been derived from the Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017. The semi-annual 2017 figures and the semi-annual 2018 figures have been derived from the Issuer's unaudited (and unreviewed) consolidated interim (semi-annual) financial statements as of and for the period ended 30 June 2018. The financial statements have been prepared under the International Financial Reporting Standard, as adopted by the European Union ("IFRS") and the interim financial statements have been prepared in accordance with the International Accounting Standard 34 – "Interim Financial Reporting", as adopted by the European Union ("IAS 34"). The consolidated statement of financial position reflects new presentation requirements related to the application of IFRS 9 from 1 January 2018.

FINANCIAL STATEMENTS OF VAN LANSCHOT N.V.

The financial information set out below are extracted from the Issuer's audited consolidated annual financial statements as of and for the financial year ended 31 December 2017 and the Issuer's unaudited consolidated interim (semi-annual) financial statements as of and for the period ended 30 June 2018 (see items (c) and (d) of the chapter '*Documents incorporated by reference*').

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(x € thousand)</i>				
	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Assets				
Cash and cash equivalents and balances at central banks	1,793,979	1,832,751	1,577,706	1,585,473
Financial assets held for trading	48,977	38,234	36,228	16,913
Due from banks	221,737	186,459	165,257	188,748
Financial assets designated at fair value through profit or loss	293,281	394,898	327,925	336,238
Financial assets at fair value through other comprehensive income	1,788,601	-	-	-
Available-for-sale investments	-	1,738,355	2,052,543	1,680,036
Held-to-maturity investments	-	521,349	511,049	513,438
Loans and advances to the public and private sectors	8,958,482	9,103,327	9,470,330	9,624,048
Other financial assets at amortised cost	516,995	-	-	-
Derivatives	336,186	322,258	306,133	307,320
Investments in associates using the equity method	78,783	70,390	68,125	75,559
Property and equipment	51,133	63,468	67,079	72,003
Goodwill and other intangible assets	187,540	218,389	190,584	194,453
Tax assets	32,775	26,719	34,874	41,687
Assets classified as held for sale	58,010	-	-	103,639
Other assets	145,500	142,277	144,284	137,856
Total assets	14,511,979	14,658,875	14,952,117	14,877,411
<i>(x € thousand)</i>				
	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Equity and liabilities				
Financial liabilities from trading activities	1,722	1,899	4,736	5
Due to banks	241,846	101,645	142,470	128,696
Public and private sectors liabilities	9,281,164	9,145,119	9,386,515	9,679,764
Financial liabilities designated at fair value through profit or loss	987,716	971,453	917,275	894,255
Derivatives	383,713	318,417	319,796	338,851
Issued debt securities	1,965,251	2,411,671	2,484,370	2,116,094
Provisions	20,682	23,085	25,819	34,047
Tax liabilities	8,887	12,841	7,675	7,073
Liabilities classified as held for sale	25,527	-	-	-
Other liabilities	126,574	156,820	131,772	157,482
Subordinated loans	173,532	166,802	166,766	167,218
Total liabilities	13,216,614	13,309,752	13,587,194	13,523,485

Issued share capital	40,000	40,000	40,000	40,000
Share premium reserve	277,674	277,674	318,521	318,521
Other reserves	929,990	925,678	931,615	916,214
Undistributed profit attributable to shareholder	36,451	89,508	59,522	65,735
Equity attributable to shareholder	1,284,116	1,332,860	1,349,659	1,340,470
Other non-controlling interests	8,380	10,827	12,506	9,391
Undistributed profit attributable to non-controlling interests	2,869	5,437	2,758	4,065
Equity attributable to non-controlling interests	11,249	16,264	15,264	13,456
Total equity	1,295,365	1,349,124	1,364,923	1,353,926
Total equity and liabilities	14,511,979	14,658,875	14,952,117	14,877,411
Contingent liabilities	79,977	65,578	64,913	68,024
Irrevocable commitments	858,674	861,342	148,626	830,937
	938,651	926,919	213,539	898,961

The 2016 figures and 2017 figures have been derived from the Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017. The semi-annual 2017 figures and the semi-annual 2018 figures have been derived from the Issuer's unaudited (and unreviewed) consolidated interim (semi-annual) financial statements as of and for the period ended 30 June 2018. The financial statements have been prepared under IFRS and the interim financial statements have been prepared in accordance with IAS 34. The consolidated statement of financial position reflects new presentation requirements related to the application of IFRS 9 from 1 January 2018.

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(€ thousand)</i>				
	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Opening balance	1,334,742¹	1,353,926	1,353,926	1,319,934
Net result (as per income statement)	39,320	94,945	62,281	69,800
Total other comprehensive income	-12,922	-6,377	-5,507	-2,917
Dividends / Capital return	-60,558	-90,874	-50,027	-25,221
Share premium contribution	-	-	-	40
To other reserves	-	-	-	-
Change in non-controlling interests	-6,989	-1,957	-277	-4,398
Other changes	-1,771	-539	4,528	-3,313
Closing balance	1,295,365	1,349,124	1,364,923	1,353,926
<i>(€ thousand)</i>				
	30-06-2018	31-12-2017	30-06-2017	31-12-2016

Cash and cash equivalents and balances at 1 January	1,826,733	1,550,100	1,550,100	868,662
Net cash flow from operating activities	335,883	133,398	5,361	113,456
Net cash flow from discontinued operations	-5,108	-	-88	-
Net cash flow from investing activities	58,110	-155,847	-366,643	845,193
Net cash flow from financing activities	-518,237	299,082	359,289	-277,211
Cash and cash equivalents at the end of period	1,697,473	1,826,733	1,548,020	1,550,100

1) Opening balance corrected for the impact of adopting IFRS 9.

The 2016 figures and 2017 figures have been derived from the Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017. The semi-annual 2017 figures and the semi-annual 2018 figures have been derived from the Issuer's unaudited (and unreviewed) consolidated interim (semi-annual) financial statements as of and for the period ended 30 June 2018. The financial statements have been prepared under IFRS and the interim financial statements have been prepared in accordance with IAS 34. The consolidated statement of financial position reflects new presentation requirements related to the application of IFRS 9 from 1 January 2018.

CONSOLIDATED STATEMENT OF INCOME

(x € thousand)

	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Income from operating activities				
Interest income	158,268	340,051	175,786	395,880
Interest expense	68,505	144,671	72,846	186,064
Net interest income	89,764	195,380	102,940	209,817
Income from associates using the equity method	10,025	24,739	18,654	11,646
Other income from securities and associates	6,792	12,956	10,999	18,025
Income from securities and associates	16,817	37,694	29,653	29,671
Commission income	157,537	280,519	139,477	253,456
Commission expense	7,629	13,533	7,197	9,786
Net commission income	149,907	266,986	132,281	243,670
Result on financial transactions	1,664	14,127	7,202	-3,938
Other income	3,548	53,125	4,238	45,180
Total income from operating activities	261,701	567,313	276,313	524,400
Expenses				
Staff costs	130,643	262,985	120,111	255,022
Other administrative expenses	88,470	178,526	83,632	169,111
Staff costs and other administrative expenses	219,114	441,511	203,743	424,132
Depreciation and amortisation	8,191	15,962	7,114	16,597
Operating expenses	227,305	457,473	210,858	440,729

Addition to loan loss provision	-	-11,875	-1,929	-6,862
Impairments of financial instruments	-3,525	-	-	-
Other impairments	-1,075	1,201	460	4,747
Impairments	-4,600	-10,674	-1,470	-2,115
Total expenses	222,705	446,798	209,388	438,614
Operating profit before tax	38,996	120,514	66,925	85,785
Income tax	6,407	25,569	10,735	15,986
Net profit from continuing operations	32,588	94,945	56,190	69,800
Discontinued operations	6,732	-	6,091	-
Net result	39,320	94,945	62,281	69,800
Of which attributable to shareholder	36,451	89,508	59,522	65,735
Of which attributable to non-controlling interests	2,869	5,437	2,758	4,065
Average amount of shares	400,000	400,000	400,000	400,000
Earnings per ordinary share (€)	91.13	223.77	148.81	164.34

The 2016 figures and 2017 figures have been derived from the Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017. The semi-annual 2017 figures and the semi-annual 2018 figures have been derived from the Issuer's unaudited (and unreviewed) consolidated interim (semi-annual) financial statements as of and for the period ended 30 June 2018. The financial statements have been prepared under IFRS and the interim financial statements have been prepared in accordance with IAS 34. The consolidated statement of financial position reflects new presentation requirements related to the application of IFRS 9 from 1 January 2018.

CASH FLOW STATEMENT

(€ thousand)

	30-06-2018	31-12-2017	30-06-2017	31-12-2016
Operating profit before tax	38,996	120,514	66,925	85,785
Cash flow from operating activities				
Adjustments for				
- Depreciation and amortisation	8,579	18,131	7,694	16,598
- Costs of share plans	1,672	4,773	1,757	3,261
- Results on associates using the equity method	-9,695	-13,129	-7,599	-11,543
- Valuation results on financial assets designated at fair value through profit or loss	-2,127	2,870	3,677	3,291
- Valuation results on financial liabilities designated at fair value through profit or loss	6,366	-7,399	2,328	11,508
- Valuation results on derivatives	-2,565	-19,080	-19,605	-15,661
- Impairments	-4,600	-10,674	-1,470	-2,115
- Changes in provisions	-2,143	3,479	-4,423	16,335

<u>Cash flows from operating activities</u>	34,483	99,486	49,284	107,460
Net increase/(decrease) in operating assets and liabilities				
- Financial assets/liabilities held for trading	-10,921	-19,427	-14,583	-10,463
- Due from/ to banks	27,935	4,593	26,620	-581,114
- Loans and advances to public and private sectors/public and private sector liabilities	285,503	71,881	-38,699	560,418
- Derivatives	43,780	3,099	16,746	28,817
- Withdrawals from restructuring provision and other provisions	-1,076	-15,021	-3,173	-7,880
- Other assets and liabilities	-39,088	-4,696	-29,252	16,128
- Current tax assets/liabilities	1,571	-	-297	-
- Income taxes paid	-7,948	-11,119	-5,247	-3,515
- Dividends received	1,644	4,602	3,962	3,606
Total net movement in operating assets and liabilities	301,400	33,912	-43,924	5,997
Net cash flow from operating activities	335,883	133,398	5,361	113,456
Net cash flow from discontinued operations	-5,108	-	-88	-
Cash flow from investing activities				
Investments and acquisitions				
- Investments in debt instruments	-651,579	-973,327	-827,062	-1,110,797
- Investments in equity instruments	-35,981	-84,990	-8,462	-11,104
- Acquisitions (excluding acquired cash and cash equivalents)	-	-28,700	-	-20,000
- Investments in associates using the equity method	-3,091	-27,147	13,188	-15,856
- Property and equipment	-3,437	-8,838	-9,020	-10,303
- Goodwill and other intangible assets	-429	-7,542	-224	-1,864
Divestments, redemptions and sales				
- Investments in debt instruments	662,383	896,695	439,881	1,983,081
- Investments in equity investments	79,684	25,170	13,359	19,033
- Investments in associates using the equity method	2,060	41,277	-	528
- Property and equipment	3,941	7,044	9,140	3,295
- Goodwill and other intangible assets	1,719	678	700	1,854
Dividends received	2,840	3,833	1,858	7,325
Net cash flow used in investing activities	58,110	-155,847	-366,643	845,193
Cash flow from financing activities				
Share premium contribution	-	-	-	40
Share plans	1,419	-5,545	1,670	-5,963
Change in non-controlling interests	-7,077	-1,956	-861	-4,186
Receipts on issued subordinated loans	-	-	-	50,000
Redemption of subordinated loans	-113	-113	-113	-114
Receipts on issued debt securities	-	500,000	500,000	500,000

Redemption of debt securities	-454,341	-187,027	-112,072	-869,914
Receipts on financial liabilities designated at fair value through profit or loss	77,722	275,645	139,381	178,405
Redemption of financial liabilities designated at fair value through profit or loss	-75,270	-191,048	-118,689	-100,261
Dividends paid and return of capital	-60,576	-90,874	-50,027	-25,221
Net cash flows used in financing activities	-518,237	299,082	359,289	-277,211
Net change in cash and cash equivalents and balances at central banks	-129,261	276,632	-2,081	681,438
Cash and cash equivalents and balances at central banks at 1 January	1,826,733	1,550,100	1,550,100	868,662
Cash and cash equivalents and balances at central banks at end of period	1,697,473	1,826,733	1,548,020	1,550,100
Additional disclosure				
Cash flows from interest received	159,442	341,695	175,402	417,890
Cash flows from interest paid	77,610	146,007	81,521	201,044

The 2016 figures and 2017 figures have been derived from the Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017. The semi-annual 2017 figures and the semi-annual 2018 figures have been derived from the Issuer's unaudited (and unreviewed) consolidated interim (semi-annual) financial statements as of and for the period ended 30 June 2018. The financial statements have been prepared under IFRS and the interim financial statements have been prepared in accordance with IAS 34. The consolidated statement of financial position reflects new presentation requirements related to the application of IFRS 9 from 1 January 2018.

TAXATION

THE NETHERLANDS

General

The following summary outlines the principal Dutch tax consequences of the acquisition, holding, settlement, redemption and disposal of the Notes, but does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant. For purposes of Dutch tax law, a holder of Notes may include an individual or entity who does not have the legal title of these Notes, but to whom nevertheless the Notes or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Notes or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the acquisition, holding, settlement, redemption and disposal of the Notes.

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

This summary, with the exception of the 'Withholding Tax'-section below, does not address the Dutch corporate and individual income tax consequences for:

- (i) investment institutions (*fiscale beleggingsinstellingen*);
- (ii) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other tax resident entities that are not subject to or exempt from Dutch corporate income tax;
- (iii) holders of Notes holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer and holders of Notes of whom a certain related person holds a substantial interest in the Issuer. Generally speaking, a substantial interest in the Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5 per cent. or more of the total issued capital of the Issuer or of 5 per cent. or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Issuer;
- (iv) persons to whom the Notes and the income from the Notes are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) or the Dutch Gift and Inheritance Tax Act 1956 (*Successiewet 1956*);
- (v) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Notes are attributable to such permanent establishment or permanent representative; and
- (vi) individuals to whom Notes or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands.

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

Withholding Tax

All payments made by the Issuer under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein provided that the Notes do not in fact function as equity of the Issuer within the meaning of article 10, paragraph 1, under d of the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

Corporate and Individual Income Tax

Residents of the Netherlands

If a holder of Notes is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the Notes are attributable, income derived from the

Notes and gains realised upon the redemption, settlement or disposal of the Notes are generally taxable in the Netherlands (at up to a maximum rate of 25 per cent.)

If a holder of Notes is an individual and such individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are taxable at the progressive rates (at up to a maximum rate of 51.95 per cent.) under the Dutch Income Tax Act 2001, if:

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

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

Non-residents of the Netherlands

If a person is neither a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, such person is not liable to Dutch income tax in respect of income derived from the Notes and gains realised upon the settlement, redemption or disposal of the Notes, unless:

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

This income is subject to Dutch corporate income tax at up to a maximum rate of 25 per cent.

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

Income derived from the Notes as specified under (1) and (2) is subject to individual income tax at progressive rates up to a maximum rate of 51.95 per cent. Income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed, variable return on income from savings and investments (as described above under "Residents of the Netherlands").

Gift and Inheritance Tax

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a holder of a Note, unless:

- (i) the holder of a Note is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or
- (ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions.

Value Added Tax

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

Other Taxes and Duties

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

BELGIUM

General

The following summary describes the principal Belgian tax considerations with respect to the holding and selling of Notes. This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold or to dispose of the Notes. In some cases, different rules can be applicable. This summary does not describe the tax consequences for a holder of Notes that are redeemable in exchange for, or convertible into assets, of the exercise, settlement or redemption of such Notes or any tax consequences after the moment of exercise, settlement or redemption.

This summary is based on Belgian tax legislation, treaties, rules, and administrative interpretations and similar documentation, in force as of the date of the publication of this Base Prospectus, without prejudice to any amendments introduced at a later date, even if implemented with retroactive effect.

For Belgian tax purposes, if interest is in a foreign currency, it is converted into Euro on the date of payment or attribution.

Each prospective holder of Notes should consult a professional adviser with respect to the tax consequences of an investment in the Notes, taking into account the influence of each regional, local or national law.

Taking into account that the Issuer is a resident of the Netherlands, please refer to the subsection 'The Netherlands' of this section for a summary of Dutch taxation rules that may apply to non-Dutch investors.

Income tax and withholding tax

For Belgian tax purposes, the following amounts are qualified and taxable as "interest": (i) periodic interest income, (ii) amounts paid by the Issuer in excess of the issue price (whether or not on the maturity date), and (iii) if the Notes qualify as fixed income securities within the meaning of article 2, §1, 8° of the Belgian Income Tax Code 1992, in case of a realisation of the Notes between two interest payment dates, the pro rata of accrued interest corresponding to the detention period. For the purposes of the following paragraphs, any such gains and accrued interest are therefore referred to as interest.

(i) Tax rules applicable to Belgian resident individuals

Individuals who are Belgian residents for tax purposes, i.e. who are subject to Belgian personal income tax ("*Personenbelasting*" / "*Impôt des personnes physiques*"), and who hold the Notes as a private investment, are subject to the following tax treatment in Belgium with respect to the Notes. Other tax rules apply to Belgian resident individuals who do not hold the Notes as a private investment.

Payments of interest on the Notes made through a financial intermediary in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). The Belgian withholding tax constitutes the final tax for Belgian resident individuals. This means that they do not have to declare the interest received on the Notes in their personal income tax return, provided that Belgian withholding tax was levied on the interest payments.

Nevertheless, Belgian resident individuals may elect to declare interest on the Notes in their personal income tax return. Also, if the interest is paid outside Belgium without the intervention of a Belgian financial intermediary, the interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return. Interest income which is declared in this way will in principle be taxed at a flat rate of 30 per cent. (or at the relevant progressive personal income tax rate(s), taking into account the taxpayer's other declared income, if this results in lower taxation) and no local surcharges will be due. The Belgian withholding tax levied may be credited against the income tax liability and any excess may be refunded.

No Belgian withholding tax should apply to the sale of Notes to a third party. Capital gains realised upon the transfer of the Notes to a third party are in principle tax exempt, unless the capital gains are realised outside the scope of the normal management of the taxpayer's private estate. Capital losses on the Notes are in principle not tax deductible.

(ii) Tax rules applicable to Belgian resident corporations

Companies that are Belgian residents for tax purposes, i.e. that are subject to Belgian corporate income tax ("Vennootschapsbelasting"/"Impôt des sociétés"), are subject to the following tax treatment in Belgium with respect to Notes. Different rules apply to companies subject to a special tax regime, such as investment companies within the meaning of Article 185bis of the Belgian Income Tax Code 1992.

Interest received by Belgian resident companies on the Notes will be subject to Belgian corporate income tax at the ordinary corporate income tax rate of currently 29.58 per cent. (with a reduced rate of 20.40 per cent. applying to the first tranche of EUR 100,000 of taxable income of qualifying small companies), to be reduced to 25 per cent. (and 20 per cent.) as from 1 January 2020 onwards. If non-Belgian withholding tax has been levied on the interest, a foreign tax credit will be applied against the Belgian tax due. The foreign tax credit is determined by reference to a fraction where the numerator is equal to the rate of the foreign tax with a maximum of 15 and the denominator is equal to 100 minus the amount of the numerator (with a number of additional limitations).

Interest payments on the Notes made through a financial intermediary in Belgium to Belgian resident companies will in principle be subject to a 30 per cent. withholding tax (calculated on the interest received after deduction of any non-Belgian withholding taxes). However, an exemption can apply subject to compliance with certain formalities. For Zero Coupon Notes or Notes with a capitalisation feature, an exemption will only apply if the Belgian company and the Issuer are related companies within the meaning of Article 105, 6° of the Royal Decree of 27 August 1993 implementing the Belgian Income Tax Code 1992. Any Belgian withholding tax that has been levied is creditable and refundable in accordance with the applicable legal provisions.

No Belgian withholding tax should apply to the sale of Notes to a third party. Belgian resident companies will be subject to Belgian corporate income tax at the applicable rates on the gains realised on the transfer of the Notes to a third party. Capital losses on the Notes are in principle tax deductible.

(iii) Tax rules applicable to other legal entities resident in Belgium

Legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities ("Rechtspersonenbelasting"/"Impôt des personnes morales"), are subject to the following tax treatment in Belgium with respect to Notes.

Payments of interest on the Notes made through a financial intermediary in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest.

However, if the interest is paid outside Belgium without the intervention of a Belgian financial intermediary and without the deduction of Belgian withholding tax on the interest received (after deduction of any non-Belgian withholding tax), the legal entity itself is required to declare and pay the 30 per cent. withholding tax to the Belgian tax authorities.

No Belgian withholding tax should apply to the sale of Notes to a third party. Capital gains realised on the transfer of the Notes to a third party will in principle not be taxable. Capital losses on the Notes are in principle not tax deductible.

(iv) Tax rules applicable to non-residents

Interest income on the Notes paid to non-residents of Belgium through a professional intermediary in Belgium will, in principle, be subject to a 30 per cent. withholding tax, but other rates may apply if the holder of the Notes is resident in a country with which Belgium has concluded a double taxation agreement and delivers the requested affidavit. If the income is not collected through a financial institution or other intermediary established in Belgium, no Belgian withholding tax should be due.

Non-resident individual or corporate investors who have not allocated the Notes to the exercise of a professional activity in Belgium through a permanent establishment can also obtain an exemption from Belgian withholding tax on interest from the Notes paid through a credit institution, a stock market company or a licensed clearing or settlement institution established in Belgium, provided that they deliver an affidavit to such institution or company confirming that: (i) they are non-residents; (ii) the Notes are held in full ownership or in usufruct; and (iii) the Notes are not allocated to the exercise of a professional activity in Belgium. No Belgian withholding tax should apply to the sale of the Notes to a third party.

No other Belgian income tax on interest payments will be due by these non-resident individual or corporate investors. However, in the case of non-resident individual investors, capital gains realised on the transfer of Notes to a third party could be taxable in Belgium to the extent they are obtained or received in Belgium and are deemed to be realized outside the scope of the normal management of the individual's private estate. Capital losses are generally not deductible.

Non-resident individual or corporate investors who have allocated the Notes to the exercise of a professional activity in Belgium through a permanent establishment are subject to the same tax rules as Belgian resident companies or Belgian resident individuals holding the Notes for professional purposes (see above).

Tax on stock exchange transactions

A tax on stock exchange transactions ("*taks op de beursverrichtingen*" / "*taxe sur les opérations de bourse*") will be levied on the sale and acquisition of the Notes on the secondary market if (i) executed in Belgium through a professional intermediary, or (ii) presumed to be executed in Belgium, which is the case if the order is directly or indirectly made to a foreign professional intermediary, either by private individuals with habitual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium.

The tax is currently due at a rate of 0.12 per cent. on each sale and acquisition separately, with a maximum amount of EUR 1,300 per taxable transaction. The tax is due separately from each of the seller/transferor and the purchaser/transferee and is in principle collected by the professional intermediary. If the intermediary is established outside of Belgium, the tax will in principle be due by the ordering private individual or legal entity, unless that individual or entity can demonstrate that the tax has already been paid. However, professional intermediaries established outside of Belgium could be responsible for collecting the tax on stock exchange transactions if, prior to performing any stock transactions in Belgium, they appointed a Belgian representative for tax purposes, subject to certain conditions and formalities.

An exemption from the tax applies to inter alia certain institutional investors as well as to non-resident investors, acting for their own account, subject to the non-residents delivering an affidavit to the professional intermediary in Belgium confirming their non-resident status.

As stated above, the European Commission has published a proposal for a Directive for a common financial transactions tax (the "FTT"). The proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.

Annual tax on securities accounts

Belgian resident and non-resident individuals are subject to a tax on securities account ("*taks op de effectenrekeningen*" / "*taxe sur les comptes-titres*") at a rate of 0.15 per cent. on their share in the average value of qualifying financial instruments (i.e. shares, share certificates, bonds, bond certificates, units or shares in investment funds or companies (except if acquired or subscribed to in the context of a life insurance or pension savings arrangement), medium-term notes and warrants) held on one or more securities accounts with one or more financial intermediaries during a reference period of 12 consecutive months starting on 1 October and ending on 30 September of the subsequent year ("**Tax on Securities Accounts**"). However, the first reference period started as of 10 March 2018 and ended on 30 September 2018. The Tax on Securities Accounts is not due if the holder's share in the average value of the qualifying financial instruments on those accounts amounts to less than EUR 500,000. If, however, the holder's share in the average value of the qualifying financial instruments on those accounts amounts to EUR 500,000 or more, the Tax on Securities Accounts is due on the entire share of the holder in the average value of the qualifying financial instruments on those accounts (and hence, not only on the part which exceeds the EUR 500,000 threshold).

Qualifying financial instruments held by non-resident individuals on securities accounts with a financial intermediary established or located in Belgium fall within the scope of the Tax on Securities Accounts. Note that, pursuant to certain double tax treaties entered into by Belgium, Belgium has no right to tax capital. Hence, to the extent the Tax on Securities Accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty override may, subject to certain conditions, be claimed.

A financial intermediary is defined as (i) a credit institution or a stock market company as defined by Article 1, §2 and §3 of the Law of 25 April 2014 on the legal status and supervision of credit institutions and stock market companies and (ii) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are pursuant to national law admitted to hold financial instruments for the account of customers.

The Tax on Securities Accounts is in principle due by the financial intermediary established or located in Belgium if (i) the holder's share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to EUR 500,000 or more or (ii) the holder instructed the financial intermediary to levy the Tax on Securities Accounts due (e.g. in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value of each of these accounts does not amount to EUR 500,000 or more but of which the holder's share in the total average value of these accounts exceeds EUR 500,000 EUR). If the Tax on Securities Accounts is not paid by the financial intermediary, such Tax on Securities Accounts has to be declared and is due by the holder itself, unless the holder provides evidence that the Tax on Securities Accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint a Tax on the Securities Accounts representative in Belgium, subject to certain conditions and formalities ("**Tax on the Securities Accounts Representative**"). Such Tax on the Securities Accounts Representative will then be liable towards the Belgian Treasury for the Tax on Securities Accounts due and for complying with certain reporting obligations in that respect.

Belgian resident individuals have to report in their annual income tax return all their securities accounts held with one or more financial intermediaries of which they are considered the holder within the meaning of the Tax on Securities Accounts. Non-resident individuals have to report in their annual Belgian non-resident income tax return all their securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered the holder within the meaning of the Tax on Securities Accounts.

Prospective holders are strongly advised to seek their own professional advice in relation to the Tax on Securities Accounts.

The above description does not constitute a summary of the tax laws currently in force, which are liable to change and evolve over time. In each case, please consult your tax and financial advisor concerning your individual situation as well as further to any change in the tax laws.

LUXEMBOURG

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

Withholding tax

(i) *Non-resident Holders of Notes*

Under Luxembourg general tax laws currently in force, there is no Luxembourg withholding tax on payments of principal, premium or interest (including accrued but unpaid interest in respect of the Notes) made to non-resident Holders of Notes. There is also no Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident Holders of the Notes.

(ii) *Resident Holders of Notes*

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the "**Relibi Law**"), there is no Luxembourg withholding tax on payments of principal, premium or interest (including accrued but unpaid interest in respect of the Notes) made to resident Holders of Notes. There is also no Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by resident Holders of the Notes.

Under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg are subject to a 20 per cent. withholding tax. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

Payments of interest under the Notes coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of currently 20 per cent.

SUBSCRIPTION AND SALE

The Dealers have in a programme agreement which has been amended and restated on 21 December 2018 (the "**Programme Agreement**"), agreed with the Issuer 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*' above. In the Programme Agreement, the Issuer 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 thereunder.

United States of America

1. The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to, or for the account of, or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer has represented and agreed that it has offered and sold any Notes, and will offer and sell any Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and notified as provided below, only in accordance with Rule 903 of Regulation S under the Securities Act ("**Regulation S**"). Accordingly, each Dealer has further represented and agreed that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer who has subscribed for Notes of a Tranche hereunder (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche subscribed for by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and notify to the Agent the completion of the distribution by it of the Notes of such Tranche. On the basis of such notification or notifications, the Agent will notify such Dealer/Lead Manager of the end of the Distribution Compliance Period with respect to such Tranche. Each Dealer has also agreed that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the Distribution Compliance Period a confirmation or notice to substantially the following effect:

*'The securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Securities as determined and notified by the Agent for the Securities to the [name of the relevant Dealer], except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them in Regulation S.'*

Terms used in this clause 1 have the meanings given to them by Regulation S.

2. In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by 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 exemption from registration under the Securities Act.

In addition (but only in relation to Notes with an initial maturity in excess of 365 days):

where *TEFRA D* is specified in the applicable *Final Terms*:

- (a) except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) or any successor section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010 (the "**D Rules**"), each Dealer (a) represents that it has not offered or sold, and agrees that during the restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (b) represents that it has

not delivered and agrees that it will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;

- (b) each Dealer represents that it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (c) if it is a United States person, each Dealer represents that it is acquiring the Notes for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6); and
- (d) with respect to each affiliate that acquires Notes from a Dealer for the purpose of offering or selling such Notes during the restricted period, such Dealer repeats and confirms the representations and agreements contained in subparagraphs (a), (b) and (c) on such affiliate's behalf.

Terms used in this clause 2 have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the D Rules.

where *TEFRA C* is specified in the applicable *Final Terms*:

Each Dealer understands that under U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the "**C Rules**"), Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer represents and agrees that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of Notes in bearer form, the Dealer has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either the Dealer or the prospective purchaser is within the United States or its possessions or otherwise involve a U.S. office of the Dealer in the offer or sale of Notes in bearer form.

Terms used in this clause 2 have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the C Rules.

Prohibition of Sales to EEA Retail Investors

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

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
 - (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Prospectus Directive (as defined below); and
- (b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the *Final Terms* in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented, warranted and agreed,

and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

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

provided that no such offer of Notes referred to in (ii) to (iv) above shall require 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.

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 Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended or superseded) and includes any relevant implementing measure in the Relevant Member State.

Prohibition of Sales to Consumers in Belgium

Unless the Final Terms in respect of any Notes specifies the "Prohibition of Sales to Consumers in Belgium" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and it will not offer or sell the Notes to, any consumer within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht*) in Belgium.

United Kingdom

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

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("**FSMA 2000**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA 2000 does not, or in the case of the Issuer would not, if it was not an authorised person, apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA 2000 with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

The Netherlands

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that unless the relevant final terms specify that this provision does not apply because the standard exemption wording required by Article 5:20(5) of the Wft is not applicable, it will not make an offer of Notes to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Prospectus Directive or (ii) standard exemption wording is disclosed as required by Article 5:20(5) of the Wft, provided that no such offer of Notes shall require 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.

Each Dealer has represented and agreed that Zero Coupon Notes (as defined below) in definitive form of any Issuer may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam with due observance of the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required in respect of (a) the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) the issue and trading of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in the Zero Coupon Note in global form) of any particular Series are issued outside the Netherlands and are not distributed into the Netherlands in the course of their initial distribution or immediately thereafter. In the event that the Dutch Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with and, in addition thereto, if such Zero Coupon Notes in definitive form do not qualify as commercial paper traded between professional borrowers and lenders within the meaning of the agreement of 2 February 1987, attached to the Royal Decree of 11 March 1987, (*Staatsblad 129*) (as amended), each transfer and acceptance should be recorded in a transaction note, including the name and address of each party to the transaction, the nature of the transaction and the details and serial numbers of such Notes. For purposes of this paragraph "**Zero Coupon Notes**" means Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the "**FIEA**") and each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of or otherwise in compliance with the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

General

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and 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 or sells Notes or possesses or distributes this Base Prospectus 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 or deliveries and the Issuer shall not have any responsibility therefore. Neither the Issuer nor any of 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 any other additional restrictions 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 Statutory Board dated 8 April 2003 and the update of the Programme has been duly authorised by a resolution of the Statutory Board dated 20 November 2018. All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of the Netherlands have been given for the issue of Notes and for the Issuer to undertake and perform its obligations under the Programme Agreement, the Agency Agreement and the Notes.

Listing

Application may be made for certain series of Notes to be listed on Euronext in Amsterdam or the Luxembourg Stock Exchange.

However, Notes may be issued pursuant to the Programme which will not be listed on Euronext in Amsterdam or the Luxembourg Stock Exchange and/or any other stock exchange.

Documents Available

For the life of the Base Prospectus and for so long as any Notes are outstanding under the Programme, copies of the following documents will, when published, be available free of charge from the registered offices of the Issuer, from the specified office of the Amsterdam Listing Agent and from the specified office of the Luxembourg Listing Agent in Luxembourg:

- (a) the Agency Agreement (which contains the forms of the Temporary and Permanent Global Notes, the Definitive Notes, the Receipts, the Coupons and the Talons);
- (b) this Base Prospectus and any documents incorporated herein by reference;
- (c) any future Base Prospectuses and supplements to this Base Prospectus and any documents incorporated herein or therein by reference; and
- (d) the Final Terms for each Tranche of Notes offered to the public or admitted to trading on a regulated market for which a prospectus pursuant to article 3 of the Prospectus Directive was published.

Settlement systems

The Notes may be accepted for settlement through Euroclear, Clearstream, Luxembourg, Euroclear Netherlands or any other applicable settlement institution. The appropriate common code and ISIN for each Tranche allocated by the relevant settlement institution and any other relevant security code, will be specified in the applicable Final Terms. If the Notes are to settle through an additional or alternative system the appropriate information will be specified in the applicable Final Terms.

The addresses of settlement institutions Euroclear, Clearstream, Luxembourg and Euroclear Netherlands are: Euroclear, 1 Boulevard de Roi Albert II, 1210 Brussels, Clearstream Luxembourg, 42 Avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg and Euroclear Netherlands, Herengracht 459-469, 1017 BS, Amsterdam, the Netherlands.

Legal Entity Identifier

The Issuer's Legal Entity Identifier (LEI) is 724500D8WOYCL1BUCB80.

Significant Change

There has been no significant change in the financial position of the Issuer and its consolidated subsidiaries, which has occurred since 30 June 2018. There has been no material adverse change in the prospects of the Issuer since 31 December 2017.

Credit Rating Agencies

It is expected that the Notes will have credit ratings assigned by the credit rating agencies Fitch and S&P. These rating agencies are established in the European Union. As of the date of this Base Prospectus, each of Fitch and S&P is established in the European Union and is registered under Regulation (EC) No 1060/2009 of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

Ratings

Credit rating agencies S&P and Fitch periodically review the Issuer's creditworthiness. The Issuer continuously aims for a high creditworthiness by using the balance sheet only for client related activities and by only taking risks it can manage and understand.

	S&P	Fitch
Long-term credit rating	BBB+	BBB+
Outlook long-term credit rating	Stable	Stable
Short-term credit rating	A-2	F2
Latest rating report	19/07/2018	24/05/2018
Latest press release	15/09/2017	23/08/2018

"BBB" ratings by Fitch indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.

An issuer rated "BBB" by S&P exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the issuer to meet its financial commitments.

The long term ratings by Fitch and S&P may be modified by the addition of a plus ("+") or minus ("-") sign to show relative standing within the major rating categories.

CRA Regulation

Tranches of Notes may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Notes. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The rating of a certain Series or Tranches of Notes may be specified in the applicable Final Terms. Whether a credit rating applied for in relation to a relevant Series or Tranche of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation or by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation will be disclosed clearly and prominently in the applicable Final Terms.

None of these ratings is a recommendation to buy, sell or hold securities and any of them may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without prior notice.

Auditors

PricewaterhouseCoopers Accountants N.V. has audited, and rendered an unqualified independent auditor's report on, the financial statements of the Issuer for the year ended 31 December 2017 and 31 December 2016. PricewaterhouseCoopers Accountants N.V. has given and has not withdrawn its written consent to incorporate by reference the aforementioned report in this Base Prospectus. PricewaterhouseCoopers Accountants N.V. is located in Amsterdam at Thomas R. Malthusstraat 5 (1066 JR), the Netherlands. The auditor having signed the aforementioned auditor's report on behalf of PricewaterhouseCoopers Accountants N.V. is a member of the Royal NBA (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*), The Netherlands Institute of Chartered Accountants.

Post-issuance information

Unless specified otherwise in the Final Terms, the Issuer does not intend to provide post-issuance information.

Method of determining the price and the process for its disclosure

The price and amount of Notes will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions. The Issue Price will be disclosed in the Final Terms.

Yield

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

Dealers transacting with the Issuer

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the

ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

THE ISSUER

Van Lanschot N.V.
Hooge Steenweg 29
5211 JN 's-Hertogenbosch
The Netherlands

AGENT

Deutsche Bank AG, London Branch
1 Great Winchester Street
EC2N 2DB London
United Kingdom

PAYING AGENTS

Van Lanschot N.V.
Beethovenstraat 300
1077 WZ Amsterdam
The Netherlands

Deutsche Bank AG, London Branch
1 Great Winchester Street
EC2N 2DB London
United Kingdom

LISTING AGENTS

AMSTERDAM LISTING AGENT

Kempen & Co N.V.
Beethovenstraat 300
1077 WZ Amsterdam
The Netherlands

LUXEMBOURG LISTING AGENT

Deutsche Bank Luxembourg S.A.
2 Boulevard Konrad Adenauer
L-1115 Luxembourg
Luxembourg

AUDITORS TO VAN LANSCHOT N.V.

PricewaterhouseCoopers Accountants N.V.
Thomas R. Malthusstraat 5
1066 JR Amsterdam
The Netherlands

LEGAL ADVISERS

To the Issuer

Allen & Overy LLP
Apollolaan 15
1077 AB Amsterdam
The Netherlands

To the Dealers

Simmons & Simmons LLP
Claude Debussylaan 247
1082 MC Amsterdam
The Netherlands

DEALERS

ABN AMRO Bank N.V.

Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

BNP Paribas
10 Harewood Avenue
London NW1 6AA
United Kingdom

Coöperatieve Rabobank U.A.

Croeselaan 18
3521 CB Utrecht
The Netherlands

Credit Suisse Securities (Europe) Limited

One Cabot Square
London E14 4QJ
United Kingdom

ING Bank N.V.

Foppingadreef 7
1102 BD Amsterdam
The Netherlands

J.P. Morgan Securities plc

25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

Kempen & Co N.V.

Beethovenstraat 300
1077 WZ Amsterdam
The Netherlands

Landesbank Baden-

Württemberg
Am Hauptbahnhof 2
70173 Stuttgart
Germany

Van Lanschot N.V.

Hooge Steenweg 29
5211 JN 's-Hertogenbosch
The Netherlands

ARRANGER

Coöperatieve Rabobank U.A.

Croeselaan 18
3521 CB Utrecht
The Netherlands