



AEGON N.V.

(incorporated with limited liability in The Hague, The Netherlands)

NLG 300,000,000

7 1/4 per cent. Perpetual Cumulative Subordinated Bonds 1996

The issue price of the above Bonds (the 'Bonds') has been set at 100.50 per cent. of their principal amount, plus interest, if any.

The Bonds are undated and, accordingly, have no final maturity date and may not be repaid except as set forth under 'Conditions of the Bonds – Repayment and Purchase; Default and Enforcement'.

The Bonds will be issued in bearer form in denominations of NLG 5,000 and NLG 10,000 each (K-form) and in denominations of NLG 5,000, NLG 100,000 and NLG 1,000,000 each (CF-form).

Interest on the Bonds will accrue at the rate of 7 1/4 per cent. per annum from 14 October, 1996 and be payable annually in arrear commencing on 14 October 1997, subject to adjustment as set forth under 'Conditions of the Bonds – Interest' and subject to deduction of any Netherlands withholding taxes required by law to be deducted. In the event of any such withholding taxes AEGON N.V. will not pay any additional amounts to Bondholders or Couponholders, as set forth under 'Conditions of the Bonds – Taxation'.

As of 14 October 2008 and every ten years thereafter, the interest will be reset in accordance with 'Conditions of the Bonds – Interest'.

In the event that AEGON N.V. has not declared or made available for payment any dividend on any class of its share capital in the twelve months immediately preceding any Interest Payment Date the interest due on such date will not then be paid. All Arrears of Interest shall become due in full on the date upon which a dividend is next made available for payment on any class of share capital of AEGON N.V. and in the other circumstances more fully set forth under 'Conditions of the Bonds – Interest'.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended, and are subject to United States tax law requirements. Subject to certain exceptions, Bonds may not be offered, sold or delivered within the United States or to United States persons. See 'Subscription and Sale'.

Application has been made to list the Bonds on the Amsterdam Stock Exchange.

The Bonds will initially be represented by a Temporary Global Bond without interest coupons, which is expected to be deposited with Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (NECIGEF), Amsterdam not later than 14 October, 1996 (the 'Closing Date'). The Temporary Global Bond will be exchangeable for definitive Bonds not earlier than 40 days and not later than 90 days after the Closing Date upon certification that the beneficial owners thereof are not U.S. Persons. The Bonds have been accepted for clearance through the Securities Clearing Corporation of the Amsterdam Stock Exchange, Cedel Bank, société anonyme ('Cedel') and Morgan Guarantee Trust Company of New York, Brussels Office, as operator of the Euroclear System ('Euroclear').

ABN AMRO Hoare Govett

Bank Labouchere nv

Rabobank International

CS First Boston

Generale Bank Nederland N.V.

F. van Lanschot Bankiers N.V.

NIBStrating Securities N.V.

SBC Warburg

A DIVISION OF SWISS BANK CORPORATION

ING Barings

Deutsche Morgan Grenfell

J.P. Morgan Securities Ltd.

MeesPierson N.V.

SNS bank Nederland N.V.

This Prospectus contains particulars with regard to AEGON N.V. ('AEGON' or the 'Issuer') and the NLG 300,000,000 7¹/₄ per cent. Perpetual Cumulative Subordinated Bonds 1996 (the 'Bonds').

AEGON confirms that it has taken all reasonable care to ensure that the facts stated herein in relation to AEGON and its subsidiaries and in relation to the Bonds are true and accurate in all material respects and that there are no other material facts the omission of which would in the context of the issue of the Bonds make any statement herein, whether of fact or opinion, misleading in any material respect. AEGON accepts responsibility accordingly.

The financial highlights included in this Prospectus were taken from the annual accounts of AEGON for the year ended 31 December 1995, which annual accounts, included by reference herein, were drawn up, both as to form and content, in accordance with Netherlands law and based on accounting principles, both in respect of valuation methods and presentation, generally accepted in the Netherlands. The investor is hereby advised that the rules applicable to the drawing up of annual accounts and the accounting principles in other jurisdictions may differ from the relevant rules and principles in the Netherlands. Recipients of this Prospectus are requested to independently verify such possible differences, if any, and the consequences such differences may have for the insight provided by the annual accounts.

No person has been authorised to give any information or to make any representations other than those contained in this Prospectus in connection with the offering of the Bonds and, if given or made, any such information or representation should not be relied upon as having been authorised by AEGON or any of the Managers (as defined under 'Subscription and Sale'). Neither the delivery of this Prospectus nor the issue of the Bonds nor any sale thereof shall, in any circumstances, create any implication that there has been no change in the affairs of AEGON, its subsidiaries or its affiliates since the date thereof.

This Prospectus does not constitute an offer or invitation by or on behalf of AEGON or the Managers or any of them to subscribe or purchase any of the Bonds. This Prospectus may not be used for or in connection with an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. AEGON and the Managers require persons into whose possession this Prospectus comes to inform themselves of and observe all such restrictions.

The Bonds have not been and will not be registered under the United States Securities Act of 1933 as amended (the 'Securities Act') and are Bonds in bearer form that are subject to certain United States tax law requirements. Subject to certain exceptions, the Bonds may not be offered or sold, directly or indirectly, in the United States of America, or to or for the account or benefit of U.S. persons (as such terms are defined in Regulation S under the Securities Act). For a further description of restrictions on offers, sales, resales and deliveries of Bonds see 'Subscription and Sale'.

In connection with this issue of the Bonds only ABN AMRO Bank N.V. may (for its own account and not as agent of the Issuer) over-allot or effect transactions on the Amsterdam Stock Exchange, in the open market or otherwise in connection with the distribution of the Bonds with a view to stabilizing or maintaining the price of the Bonds at levels other than those which might otherwise prevail in the open market. Such stabilization, if commenced, may be discontinued at any time, but will in any event be discontinued 30 days after the Closing Date.

This document may not be passed on to any person in the United Kingdom who does not fall within article 11 of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996.

All references herein to 'guilders' or 'NLG' are to Netherlands Guilders and 'USD' are to U.S. Dollars.

TABLE OF CONTENTS

CONDITIONS OF THE BONDS	4
USE OF PROCEEDS	10
AEGON N.V.	11
FOUNDATION	11
SUMMARY DESCRIPTION OF THE GROUP	11
RECENT DEVELOPMENTS	11
MANAGEMENT	12
ADDRESS	12
FINANCIAL HIGHLIGHTS	13
CONDENSED CONSOLIDATED BALANCE SHEETS	14
CONDENSED CONSOLIDATED INCOME STATEMENTS	14
CAPITALISATION	15
SIX MONTHS' RESULTS	16
SUBSCRIPTION AND SALE	23
GENERAL INFORMATION	24

CONDITIONS OF THE BONDS

The following is the text of the Conditions of the Bonds which (subject to amendment) will be endorsed on (in the case of Bonds in K-form) or applicable to (in the case of Bonds in CF-form) each Bond in definitive form:—

The NLG 300,000,000 7¼ per cent. Perpetual Cumulative Subordinated Bonds 1996 (the 'Bonds') of AEGON N.V. (the 'Issuer') are issued under a Fiscal Agency Agreement (the 'Fiscal Agency Agreement') dated 14 October, 1996 between the Issuer and ABN AMRO Bank N.V. as fiscal and principal paying agent. The fiscal and principal paying agent for the time being is referred to below as the 'Fiscal Agent'. Paying Agents may be appointed (which latter expression shall include the Fiscal Agent). The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Fiscal Agency Agreement, which will include the form of the Bonds and the interest coupons (in the case of Bonds in K-form) and coupon sheets (in the case of Bonds in CF-form) appertaining to the Bonds (the 'Coupons', which expression shall, unless the context otherwise requires, include the talons referred to below) and the talons (the 'Talons') for further Coupons in respect of Bonds in K-form.

Copies of the Fiscal Agency Agreement are available for inspection by holders of the Bonds (the 'Bondholders') and holders of the Coupons (the 'Couponholders') at the specified office of the Fiscal Agent. The Bondholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Fiscal Agency Agreement.

1. Form, Denomination and Title

The Bonds are in bearer form serially numbered with Coupons attached on issue. The Bonds will be available both in K-form and CF-form. The Bonds in K-form are available in denominations of NLG 5,000 and NLG 10,000 each. These Bonds will be numbered from 1 onwards preceded by the letters AV for the denomination of NLG 5,000 and the letters AX for the denomination of NLG 10,000.

The Bonds in CF-form will be available in denominations of NLG 5,000, NLG 100,000 and NLG 1,000,000 each. These Bonds will be numbered from 1 onwards, preceded by the letters FV for the denomination of NLG 5,000, the letters FM for the denomination of NLG 100,000 and the letters FF for the denomination of NLG 1,000,000.

Under Netherlands law, the valid transfer of title to a bond or coupon requires, inter alia, delivery ('levering') thereof. Except as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer, the Fiscal Agent and any other Paying Agent may treat the Bondholder and the Couponholder as the absolute owner(s) thereof (whether or not such Bond or Coupon shall be overdue and notwithstanding any notice of ownership or writing thereon or any notice of previous loss or theft thereof) for the purpose of making payment and for all other purposes.

2. Status, Subordination and Loss Absorption

The Bonds and Coupons constitute unsecured obligations of the Issuer ranking *pari passu* without any preference among themselves and will, in the event of bankruptcy, dissolution or liquidation of the Issuer be subordinated in right of payment to the prior payment in full of all Senior Debt of the Issuer, present and future.

For the purposes of this Condition 2:

- 'Senior Debt' means the principal of and premium, if any, and interest on any Indebtedness of the Issuer currently outstanding or to be issued hereafter unless such Indebtedness by the terms of the instruments by which it is created or evidenced, is not senior in right of payment to the Bonds. The Issuer's outstanding Subordinated Indebtedness will not be considered Senior Debt.
- 'Subordinated Indebtedness' means any Indebtedness of the Issuer the right to payment of which is, or is expressed to be or is required by any present or future agreement of the Issuer to be, subordinated in the event of the bankruptcy, dissolution or liquidation of the Issuer.

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

By virtue of the above subordination:

- (a) all payments to the Bondholders will, in the event of the bankruptcy, dissolution or liquidation of the Issuer only be made after, and any set-off by any Bondholder shall be excluded until all Senior Debt admissible in any such bankruptcy, dissolution or liquidation of the Issuer has been satisfied in full following which the obligations in respect of the Bonds shall rank at least *pari passu* with all other Subordinated Indebtedness; and
- (b) creditors of the Issuer who are not holders of Senior Debt may, subject to any subordination provisions that may be applicable to such creditors, recover more ratably than the Bondholders.

If the Issuer would not otherwise be solvent the amount of principal and of sums which would otherwise be payable as interest in respect of the Bonds will be available to meet the losses of the Issuer.

3. Interest

- (a) Initial Rate and Accrual of Interest

The Bonds bear interest from and including 14 October 1996 (the 'Issue Date') at the rate, of $7\frac{1}{4}$ per cent. per annum, payable, subject as provided in these Conditions, annually in arrear on each Interest Payment Date (as defined below), the first such payment to be made on 14 October, 1997. Interest in respect of each Bond will accrue from day to day and will cease to accrue from the due date for repayment thereof unless, upon due presentation, payment of principal is improperly withheld or refused. If interest is required to be calculated for a period of less than one year, it shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

- (b) Interest Payment Dates, Interest Periods, Arrears of Interest and Interest Deferral

Interest in respect of the Bonds is payable on each Interest Payment Date not being an Optional Interest Payment Date (both as defined below) in respect of the Interest Period (as defined below) ending on the day immediately preceding such date. Interest in respect of the Bonds accrued in the Interest Period ending on the day immediately preceding any Optional Interest Payment Date will not be paid on such date and failure to pay shall not constitute a default by the Issuer for any purpose. Any interest in respect of the Bonds not paid on an Optional Interest Payment Date, together with any other interest in respect thereof not paid on any other Optional Interest Payment Date, shall, so long as the same remains unpaid, constitute 'Arrears of Interest'. All Arrears of Interest in respect of all Bonds for the time being outstanding (as defined in the Fiscal Agency Agreement) shall become due in full on, and only on, whichever is the earliest of (i) the date upon which a dividend is next made available for payment on any class of share capital of the Issuer, (ii) the date fixed for any repayment pursuant to Condition 4(a) or (iii) the date on which the Issuer is adjudicated bankrupt or on which an order is made or an effective resolution is passed for the dissolution or liquidation of the Issuer. If notice is given by the Issuer of its intention to pay the whole or any part of Arrears of Interest, the Issuer shall be obliged to do so upon the expiry of such notice. Where Arrears of Interest are paid in part, each part payment shall be made *pro rata* to the Bondholders and shall be in respect of the full amount of the Arrears of Interest accrued due to the relevant Interest Payment Date or consecutive Interest Payment Dates furthest from the date of payment. Arrears of Interest shall not themselves bear interest.

As used herein:

'Interest Payment Date' means 14 October in each year.

'Optional Interest Payment Date' means any Interest Payment Date following a period of twelve months immediately preceding such Interest Payment Date, in which no dividend has been declared or made available for payment on any class of share capital of the Issuer.

'Interest Period' means the period from and including one Interest Payment Date (or, as the case may be, the Issue Date) up to but excluding the next (or first) Interest Payment Date.

(c) Interest Rate Reset

On each Determination Date (as defined below), unless the Issuer shall have given notice to redeem the Bonds under Condition 4(a) on or prior to the Interest Payment Date next following such Determination Date, the Issuer shall determine the annual rate of interest in respect of the Bonds for each of the next ten Interest Periods which shall be a rate per annum equal to the aggregate of the Yield (as defined below) and 0.85 percentage point.

As used herein:

'Determination Date' means the fifth Amsterdam business day (being a day, other than Saturday or Sunday, on which banks are open for business in Amsterdam) prior to (i) 14 October, 2008 and (ii) each tenth anniversary thereafter provided that if on any such date it is not possible for any reason to determine the rate of interest, the Determination Date shall be postponed to the next Amsterdam business day on which it is possible to determine such rate provided that such day occurs before the applicable date specified in sub-paragraph (i) or, as the case may be, sub-paragraph (ii) of this definition.

'Yield' means the arithmetic mean of the effective yield (effectieve rendement) of each of the Benchmark State Loans, as calculated by the Netherlands Central Bureau of Statistics and published in the Official Price List of the Stock Exchange Association ('Officiële Prijscourant van de Vereniging voor de Effectenhandel') on each of the 20 days on which the Amsterdam Stock Exchange is open for business preceding the relevant Determination Date, or, if such effective yields are not so calculated or published, the 'Yield' means the arithmetic mean of the effective yields of the Benchmark State Loans calculated on, or as close as practicable to, the basis most recently applied by the Central Bureau of Statistics.

'Benchmark State Loans' means the Netherlands government security or securities which have a remaining life at the relevant Determination Date of at least nine but not more than ten years or, if at the relevant Determination Date there are no such government securities whose effective yields are calculated by the Netherlands Central Bureau of Statistics and published in the Official Price List of the Stock Exchange Association there shall be substituted such Netherlands government security or securities having a remaining life at the relevant time nearest to but not exceeding ten years as the Executive Board of the Issuer shall determine.

(d) Notification of Rate of Interest

The Issuer shall cause notice of each rate of interest determined in accordance with paragraph (c) above (the 'Reset Date') to be given to the Paying Agents without delay. Notice of the Reset Date will be published by the Issuer without delay in accordance with Condition 11.

(e) Calculations, etc. to be Final.

The calculations and determinations under this Condition 3 shall (save in the case of wilful default, bad faith or manifest error) be final and binding on the Issuer, the Bondholders and the Couponholders.

4. Repayment and Purchase

The Bonds have no final maturity date and may not be repaid except in accordance with the provisions of this Condition 4 or Condition 7.

(a) Optional Repayment

The Issuer may, having given not less than 30 nor more than 60 days' notice to the Bondholders in accordance with Condition 11, repay on 14 October, 2008 or on any tenth anniversary thereafter all, but not some only, of the Bonds at their principal amount together with accrued interest and all Arrears of Interest. Upon the expiration of such notice the Issuer shall be bound to repay all the Bonds at their principal amount together with accrued interest and all Arrears of Interest.

(b) Optional Purchase

The Issuer or any subsidiary of the Issuer may at any time purchase Bonds (provided that all unmatured Coupons appertaining thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(c) Cancellation

Bonds purchased as referred to under (b) above may, at the discretion of the Issuer, be held, resold or surrendered by the Issuer for cancellation to the Fiscal Agent (together with any unmatured Coupon and unmatured Talon appertaining thereto, whether or not attached or purchased therewith).

All Bonds which are repaid by the Issuer will forthwith be cancelled (together in each case with all unmatured Coupons attached thereto or delivered therewith) and accordingly may not be reissued or resold.

5 Payments and Exchange of Talons

(a) The name of the initial Fiscal Agent and its initial specified office is set out below.

(b) Payments of principal and interest in respect of the Bonds will only be made against presentation and surrender of Bonds or, in case of payments of interest due on an Interest Payment Date and Arrears of Interest, in the case of Bonds in K-form, against surrender (or, in the case of a partial payment, endorsement) of the relevant Coupons, at the specified office of a Paying Agent by a Netherlands Guilder cheque drawn on, or by transfer to a Netherlands Guilder account maintained by the payee with, a bank in Amsterdam, as the holder may specify, or, in the case of Bonds in CF-form, in conformity with the agreement concluded between the Issuer and the 'Algemeen Obligatiekantoor van het Centrum voor Fondsenadministratie B.V.' in Amsterdam ('Obligatiekantoor'), under which agreement the Issuer has accepted the rules and regulations of the Obligatiekantoor. All such payments are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment.

(c) Upon the date the Bonds become due, each Bond in K-form which is presented for payment must be presented together with all unmatured Coupons and Talons appertaining thereto (whether or not attached) and unmatured Coupons and Talons appertaining to the Bonds (whether or not attached) shall become void and no payment shall be made in respect of such Coupons and no exchange shall be made in respect of such Talons. If the date on which the Bonds become due is not an Interest Payment Date, the interest accrued from the preceding Interest Payment Date (or the Issue Date, as the case may be) on any Bond shall be payable only against presentation of such Bond. In addition, in the event of a bankruptcy, dissolution or liquidation of the Issuer, each Bond in K-form which is presented for payment must be presented together with all Coupons appertaining thereto (whether or not attached) in respect of Arrears of Interest, failing which the amount of Arrears of Interest due on any such missing Coupons (or, in the case of payment not being made in full, that proportion of such amount which the amount so paid bears to the total amount payable in respect of such Bond (inclusive of Arrears of Interest and accrued interest)) will be deducted from the sum due for payment on presentation of such Bond. In the case of any such missing Coupon, the amount so deducted will be payable in the manner mentioned above against presentation and surrender of such Coupon within a period of five years from the Relevant Date in relation to the payment of the principal of such Bond.

For the purposes of these Conditions, 'unmatured Coupon' means a Coupon in respect of

which the applicable Interest Payment Date falls after the date on which the Bond to which such Coupon appertains becomes due or, in the case of a purchased Bond to be cancelled under Condition 4 (c), is purchased; 'unmatured Talon' means a Talon in respect of which the Interest Payment Date on and after which it may be exchanged falls on or after the date on which the Bond to which such Talon appertains becomes due or, in the case of a purchased Bond to be cancelled under Condition 4 (c), is purchased; and the 'Relevant Date' means the date on which a payment of principal or interest first becomes due, but, if the full amount of the money payable has not been received by the Fiscal Agent on or prior to such date, it means the date on which, the full amount of such money having been so received, notice to that effect shall have been duly published in accordance with Condition 11.

(d) If the date for payment in respect of any Bond is not a day on which banks are open for business in the place of presentation of the relevant Bond or Coupon the holder thereof shall not be entitled to payment until the next day following such day, or to any interest or other payment in respect of such delay. In the case of payment by transfer to a Netherlands Guilder account as referred to above, the Issuer shall not be obliged to credit such account until the day in the place of such account on which banks are open for business next following the day on which banks are open for business in the place of the specified office of the relevant Paying Agent to which the relevant Bond or Coupon is presented for payment.

(e) The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint another additional or other Paying Agents and/or approve any change in the specified office of any Paying Agent, provided that so long as any of the Bonds remains outstanding the Issuer will maintain a Paying Agent with a specified office in a city within the European Union which, so long as the Bonds are listed on the Amsterdam Stock Exchange, shall be Amsterdam. In the event of any such variation, termination, appointment or change in specified office, notice thereof will be given by the Issuer to the Bondholders in accordance with Condition 11.

(f) On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet in respect of a Bond in K-form matures, the Talon comprised in such Coupon sheet may be surrendered at the specified office of any of the Paying Agents in exchange for a further Coupon sheet in respect of the 40 Interest Payment Dates immediately following such Interest Payment Date (including a further Talon), subject to the provisions of Condition 8, provided that the Issuer may, by notice to the Bondholders in accordance with Condition 11, at any time or from time to time require any such exchange to be effected at the specified office(s) of one or certain Paying Agents specified in such notice.

6. Taxation

All payments of principal and interest by the Issuer will be made subject to any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Netherlands or any authority therein or thereof having power to tax and required by law to be withheld or deducted. The Issuer will not be obliged to pay any additional amounts in order to gross up any payments in respect of the Bonds. Additionally, the Issuer will not be liable for any change in tax treatment of the Bondholders, imposed by or on behalf of The Netherlands or any authority therein or thereof having power to tax. Bondholders are advised to consult their own professional tax advisor.

7. Default and Enforcement

(a) All Bonds shall become due and repayable at their respective principal amount, together with accrued interest and all Arrears of Interest thereon, in the event (i) the Issuer is adjudicated bankrupt, or (ii) an order is made or an effective resolution is passed for the bankruptcy, dissolution or liquidation of the Issuer.

(b) The Bondholder may at its discretion and without further notice institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition or provision binding on the Issuer under the Bonds or the Coupons provided that the Issuer

shall not by virtue of the institution of any such proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

(c) No remedy against the Issuer, other than the institution of the proceedings referred to in paragraph (b) above or proving in the bankruptcy, dissolution or liquidation of the Issuer, shall be available to the Bondholders or Couponholders whether for the recovery of amounts owing in respect of the Bonds or the Coupons or in respect of any breach by the Issuer of any of its obligations under the Bonds or the Coupons.

8. Prescription

Bonds and Coupons will become void unless presented for payment within a period of five years from the Relevant Date (as defined in Condition 5) in relation to payment thereof.

Coupon sheets issued in exchange for a Talon shall not include any Coupons which are void pursuant to this Condition 8 or Condition 5(c) or any Talon which would be void pursuant to Condition 5(c).

9. Replacement of Bonds and Coupons

If any Bond or Coupon is lost, stolen, mutilated, defaced or destroyed it may be replaced at the office of the Fiscal Agent upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Bonds or Coupons must be surrendered before replacements will be issued.

10. Meetings of Bondholders and Modification

The Fiscal Agency Agreement contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including modification (if proposed or agreed by the Issuer) by Extraordinary Resolution of these Conditions, except that the provisions relating to subordination are not so capable of modification. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons present holding or representing a majority in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting two or more persons present being or representing Bondholders whatever the principal amount of the Bonds so held or represented, except that at any meeting the business of which includes the modification of certain of these Conditions, the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, of the principal amount of the Bonds for the time being outstanding. Any resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting, and on all Couponholders.

11. Notices

All notices to the Bondholders will be valid if published in at least one daily newspaper of wide circulation in The Netherlands and, so long as the Bonds are listed on the Amsterdam Stock Exchange, in the Official Price List of the Stock Exchange Association ('Officiële Prijscourant van de Vereniging voor de Effectenhandel') in Amsterdam. Such notices shall be deemed to have been given on the first date of such publication, also if published more than once.

12. Additional Obligations

As long as the Bonds are listed on the Amsterdam Stock Exchange, the Issuer will comply with the provisions set forth in Article 2.1.20, sections a-g of Schedule B of the Rules and Regulations ('Fondsenreglement') of the Stock Exchange Association ('Vereniging voor de Effectenhandel').

13. Further Issues

The Issuer may from time to time without the consent of the Bondholders create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the first payment of interest thereon) and so that the same shall be consolidated and form a single series with the Bonds. In these Conditions, unless the context otherwise requires, the expression 'Bonds' shall include any further

bonds issued in accordance with this Condition and forming a single series with the Bonds.

14. Governing Law and Jurisdiction

The Bonds and the Coupons are governed by and will be construed in accordance with the laws of The Netherlands. In relation to any legal action or proceedings arising out of or in connection with the Bonds, the Coupons or the Fiscal Agency Agreement, the Issuer irrevocably submits to the jurisdiction of the courts of The Hague, The Netherlands, judging in first instance, and its appellate courts.

USE OF PROCEEDS

The net proceeds of the issue of the Bonds, expected to amount to approximately NLG 295,500,000 will be used for general corporate purposes.

AEGON N.V.

FOUNDATION

AEGON was formed on November, 30, 1983 as a result of a merger between AGO and ENNIA, two Dutch insurance companies both of whom were successors to insurance companies formed in the 1800's.

SUMMARY DESCRIPTION OF THE GROUP

AEGON together with its consolidated subsidiaries and affiliates (the 'Group') constitute a leading international insurance group with headquarters in The Hague.

AEGON's core business is life insurance and related pension, financial and investment products. Additionally, AEGON is active in health and property and casualty insurance, where these sectors offer prospects for long-term profitability and strengthen the position of its distribution networks. Consistent with a policy of spreading risks to achieve reliable performance, AEGON seeks to maintain a good balance of businesses within the Group, both geographically and among and within product groups. It is an AEGON principle that each Group unit should have, or have the prospect of achieving, the necessary absolute and relative scale to compete effectively within its particular market. As at the end of 1995, AEGON's most important markets are in The Netherlands, Americas, United Kingdom and other countries, where 45%, 31%, 19% and 5% of revenues are generated, respectively.

AEGON Nederland N.V. operates its insurance business through eight business units, each of which services its own market within the insurance field. In The Netherlands, AEGON is also involved in a number of related non-insurance activities mainly in the area of financial services.

AEGON USA, Inc., based in Baltimore, Maryland, operates through ten divisions within four operating groups, offering specialized insurance and investment products to various niche markets in the United States. As at the year-end 1995, it continues to be the largest non-US based life insurer in the United States. AEGON is also represented in the Caribbean area, Mexico and Taiwan R.O.C.

The major markets for AEGON in Europe outside the Netherlands are the United Kingdom, Hungary and Spain.

The Common Shares of AEGON N.V. are listed on the stock exchanges in Amsterdam, New York (NYSE), Tokyo, London and Zurich. In addition, AEGON stock options are quoted on the European Options Exchange in Amsterdam.

On December 21, 1995 AEGON announced it increased its profit share in Scottish Equitable from 60% to 80% as from January 1, 1996. It was also announced that AEGON will gradually increase its profit share to 100% by year end of 1998.

RECENT DEVELOPMENTS

In July 1996 AEGON sold its holding of 15 holiday parks to Roosland Beheer, part of the International Indofin Group.

In September 1996 AEGON Nederland N.V. and the Dutch industry pension fund PGGM announced they expect to reach an agreement on a merger between AEGON Real Estate and Mandes Fund Management, PGGM's real estate fund. AEGON and PGGM will initially each participate for 50% in the fund.

MANAGEMENT*Executive Board*

AEGON is managed by an Executive Board, currently consisting of five members, all of whom are employees of AEGON. The activities of the Executive Board are subject to the general supervision of the Supervisory Board (see below) which appoints the members of the Executive Board. Members of the Executive Board are appointed for indefinite terms.

At present, the Executive Board consists of the following members:

K.J. Storm *Chairman*
D.A. Berridge
P. van de Geijn
D.J. Shepard
H.B. van Wijk

Supervisory Board

The Supervisory Board appoints its own members, although the General Meeting of Shareholders, the Executive Board and the Central Works Council of The Netherlands insurance companies may make non-binding recommendations for appointments. No employees of AEGON are eligible for appointment to the Supervisory Board. Members of the Supervisory Board are appointed for a term of four years and may be re-appointed subject to the requirement to retire prior to reaching the age of 70.

At present, the Supervisory Board consists of the following members:

G. van Schaik *President*
H. de Ruiter *Vice President*
Sir Michael Jenkins
A. Leysen
O.J. Olcay
J.F.M. Peters
K.M.H. Peijs
R.H. Roth
W. Scholten
M. Tabaksblat
F.J. de Wit

The chosen address of each of the members of the Executive Board and the Supervisory Board is the registered office of the Issuer.

ADDRESS

AEGON N.V.
Mariahoeveplein 50
2591 TV The Hague
The Netherlands

FINANCIAL HIGHLIGHTS

Set out below is selected financial information relating to the Group which has been selected from the consolidated audited Group results for the years ended 31 December, 1995 and 1994.

<i>(Amounts in NLG millions)</i>	1995	1994
Net income		
Life insurance (including annuities)	1,388	1,262
Accident & Health insurance	143	138
General insurance	54	23
Banking activities	140	143
Other activities	(5)	(41)
Income before tax	1,720	1,525
Corporation tax	(397)	(374)
Net income	1,323	1,151
Revenues		
Life insurance gross premiums	10,257	9,854
Accident & Health gross premiums	1,974	2,138
General insurance gross premiums	1,537	2,006
Investment income	5,983	5,798
Income from banking activities	1,228	1,036
Total revenues	20,979	20,832
Investment income for the account of policyholders	7,660	(471)
Annuity deposits	5,611	6,041
Commissions and expenses	2,973	3,110
	As at	As at
	Dec. 31 '95	Dec. 31 '94
Shareholders' equity	8,173	7,899
Perpetual cumulative subordinated loans	800	-
Subordinated (convertible) loans	2,811	2,933
Equity and subordinated loans	11,784	10,832
Number of employees	19,806	19,713
	1995	1994
Outstanding common shares (weighted average number '000)	261,627	255,605
Amounts per common share of NLG 1.00		
Net income ⁽¹⁾	5.04	4.48
Net income fully diluted ⁽¹⁾	4.80	4.26
	As at	As at
	Dec. 31 '95	Dec. 31 '94
Shareholders' equity ⁽²⁾	30.86	30.20
Shareholders' equity fully diluted ⁽²⁾	32.65	31.92

⁽¹⁾ Based on the weighted average number of common shares.

⁽²⁾ Based on number of common shares outstanding at the end of the period.

1994 figures per common share have been adjusted for stock dividend.

CONDENSED CONSOLIDATED BALANCE SHEETS

Set out below are the condensed consolidated balance sheets of the Group for the years ended 31 December, 1995 and 1994.

<i>(Amounts in NLG millions)</i>	As at Dec. 31 1995	As at Dec. 31 1994
Investments	87,239	82,024
Investments for the account of policyholders	56,032	48,354
Other assets	7,332	6,691
Total assets	150,603	137,069
Shareholders' equity	8,173	7,899
Perpetual cumulative subordinated loans	800	—
Subordinated (convertible) loans	2,811	2,933
Equity and subordinated loans	11,784	10,832
Technical provisions for insurance	57,576	55,591
Technical provisions for insurance with investments for the account of policyholders	56,032	48,354
Other liabilities	25,211	22,292
Total liabilities	150,603	137,069

CONDENSED CONSOLIDATED INCOME STATEMENTS

Set out below are the condensed consolidated income statements of the Group for the years ended 31 December, 1995 and 1994.

<i>(Amounts in NLG millions)</i>	1995	1994
Revenues		
Gross premiums	13,768	13,998
Investment income	5,983	5,798
Income from banking activities	1,228	1,036
Total revenues	20,979	20,832
Benefits and expenses		
Premiums to reinsurers	820	1,159
Benefits paid and provided	12,678	12,732
Profit sharing and rebates	1,222	920
Commissions and expenses for own account	2,973	3,110
Interest	1,396	1,242
Miscellaneous income and expenditure	170	144
Total benefits and expenses	19,259	19,307
Income before tax	1,720	1,525
Corporation tax	(397)	(374)
Net income	1,323	1,151

CAPITALISATION

The following table sets forth the actual total capitalisation and short-term debt of the Issuer at June 30, 1996, and as adjusted to give effect to the issue of the Bonds and the application of the estimated net proceeds therefrom which are being used for general corporate purposes:

<i>(Amounts in NLG millions)</i>	June 30, 1996 ⁽¹⁾⁽³⁾	
	Actual	As adjusted ⁽²⁾
Short-term borrowings and bank overdrafts (excludes current portion of long-term debt)	1,579	1,029
Long-term debt		
Unsecured senior debt	4,516	4,516
Mortgage bonds	54	54
Total long-term debt	4,570	4,570
Total subordinated (convertible) debt	2,579	2,579
Total perpetual cumulative subordinated debt	1,250	1,800
Shareholders' equity⁽⁴⁾		
Preferred shares	80	80
Common shares	263	263
Surplus funds	9,469	9,469
Total shareholders' equity	9,812	9,812
Total capitalisation	19,790	19,790

⁽¹⁾ For the purposes of this table, amounts in foreign currency have been converted at exchange rates prevailing on June 30, 1996.

⁽²⁾ In addition to the Bonds AEGON has issued since June 30, 1996, the following issue of perpetual cumulative debt:

– NLG 250 mln 7⁵/₈% Perpetual Cumulative Subordinated Bonds 1996.

The proceeds of this issue are also reflected in the capitalisation table, as adjusted.

⁽³⁾ As at the date thereof and save as disclosed herein, there has been no material change in the consolidated capitalisation set forth above since June 30, 1996.

⁽⁴⁾ As at June 30, 1996, the issued share capital consisted of 80,000,000 Preferred Shares and 262,940,326 Common Shares, each with a nominal value of NLG 1.00. All issued shares are fully paid. AEGON's authorised capital comprises 350,000,000 Preferred Shares, 525,000,000 Common Shares and 125,000,000 Preferred Shares convertible into Common Shares, each having a nominal value of NLG 1.00.

SIX MONTHS' RESULTS

Set out on page 16 to page 23 hereof is an extract of the English language version of the text of the six months' results made by the Issuer in connection with its unaudited consolidated six months' figures for the first six months of 1996.

AEGON UPGRADES FORECAST FOR 1996

- Higher interim dividend due to previously announced change in the method of payment
- AEGON enjoys strong premium growth in all units

Summary

AEGON has upgraded its expectations regarding the 1996 results. AEGON continues the upward earnings trend combined with strong premium income growth.

Net income in the first half year of 1996 amounted to NLG 711.1 million, an increase of 15.7% over the same period in 1995.

Net income per share rose by 15.0% from NLG 2.34 to NLG 2.69.

In the first six months of 1996 currency exchange rates had a positive effect on the results of about 1.5%. When this effect and the effects of acquisitions and termination of activities are excluded the figures arise as shown in the column 'Autonomous growth' below.

The table below shows the major developments for the first six months 1996: *)

<i>(x NLG 1 million)</i>	First six months 1996	First six months 1995	Increase (%)	Autonomous growth (%)
Net income	711.1	614.7	15.7	17.3
Net income per share <i>(x NLG)</i>	2.69	2.34	15.0	16.3
Total premium income	8,848.2	7,312.1	21.0	19.1
Total revenues	12,680.4	10,845.7	16.9	14.8

*) Revenue figures do not include annuity deposits and investment income for the account of policyholders, which are reported separately.

AEGON in the first six months of 1996

AEGON achieved an excellent result in the first six months of 1996. Net income increased significantly to NLG 711.1 million.

The breakdown of net income, geographically and by activity, is as follows:

Net income

(x NLG 1 million)					Total	first	first	% increase
	The Netherlands	Americas	United Kingdom	Total Other countries	6 months 1996	6 months 1995		
Life insurance (incl. annuities)	446	232	67	(7)	738	633	16.6	
Accident & Health insurance	9	62	–	2	73	74	(1.4)	
General insurance	15	1	–	18	34	28	21.4	
Banking activities	74	–	–	–	74	67	10.4	
Other activities	(4)	–	–	–	(4)	5	–	
Income before tax	540	295	67	13	915		13.4	
Income before tax 1st six months 1995	489	264	43	11		807		
Corporation tax					(204)	(192)	6.3	
Net income					711	615	15.7	

Growth in premium income, included in reported revenues, was strong at a level of 21%. In addition to the solid growth in The Netherlands and the United States (even when the positive impact of currency fluctuation is excluded), Scottish Equitable (UK) and ÁB-AEGON (Hungary) showed even stronger growth.

Annuity deposits from operation in the United States, which are not included in reported revenues, were in dollars basically unchanged at USD 1,850 million.

Investment income for the account of policyholders, also not included in reported revenues, remained at the same level, NLG 2,776.7 million in the first six months of 1996 compared to NLG 2,794.6 million in the first six months of 1995, reflecting the direct yield as well as the movements in market values of equities and fixed income instruments.

The Netherlands

AEGON's Dutch insurance operations saw a significant increase in results for the first six months of 1996. All business units, especially Life Commercial Lines and Personal Lines, showed an increase in results.

The results of the general insurance activities more than doubled compared to the same period last year. All business units delivered an increase in premium income and improved levels of performance.

Non-insurance activities in The Netherlands

In the first six months of 1996 Labouchere N.V. continued its growth of the last years and showed a considerable increase in results compared with the same period in 1995. FGH BANK also enjoyed favorable results.

AEGON Holiday Parks was sold as previously announced.

Americas

The results of AEGON USA showed a significant increase. In particular the Asset Accumulation Group and the Home Service Group contributed to the positive development of the results.

Premium income and revenues in the United States also showed healthy growth. Compared with the first six months of last year the average USD/NLG exchange rate was 3.9% higher.

AEGON USA's joint venture with Banamex, Mexico's largest banking group, is contributing to results after less than a year in operation.

United Kingdom

Scottish Equitable enjoyed a strong increase in production. Overall profit development was excellent. AEGON's share in the profits increased to 80% at the end of 1995.

Other countries

ÁB-AEGON showed an increase in premium income in real terms and a further strengthening of its profitability, especially in life insurance. This result was achieved despite the continued high level of inflation in Hungary. The results in general insurance were subject to some pressure, amongst others due to claims because of bad weather conditions in the second quarter, but still satisfactory.

The results of AEGON Spain were positive, both in general and in life insurance, while revenues and results were positively influenced by recent acquisitions.

Total results on life insurance in 'Other countries' were negative due to the initial costs of NLG 24 million (first six months 1995: NLG 9 million) from greenfield operations in Germany, Belgium and Taiwan.

Capital and Funding

Shareholders' equity increased in the first six months of 1996 by NLG 1.6 billion to NLG 9.8 billion (December 31, 1995: NLG 8.2 billion). This was mainly due to retained earnings, gains on the equity investment portfolio and currency exchange rates.

Further, solvency was strengthened through an increase of undated subordinated debt of NLG 450 million, whereas NLG 270 million of dated debt was paid off.

Interim dividend

An interim dividend in cash of NLG 1.18 will be proposed. The interim dividend in 1995 amounted to NLG 0.62. The increase of the interim dividend is due to the earlier announced change of the method of calculating interim dividends. This means that, barring unforeseen exceptional circumstances, 50% of total dividend of the previous year will be paid as interim dividend. The usual pay-out ratio of 47% of net income will remain unchanged. The total dividend for 1995 amounted to NLG 2.37.

The interim dividend will be paid entirely in cash or, at the option of the shareholder, entirely in stock. In view of the strong position of AEGON's capital base, the value of the interim dividend in cash will be 2% to 5% higher than the interim dividend in stock. Shareholders are requested to indicate their preference in the period up to and including September 11, 1996. The final amount of the proposed stock and cash dividend options will be determined upon the closing of the Amsterdam Stock Exchange on Wednesday, September 11, 1996. Beginning Friday, September 13, 1996, the AEGON shares will be quoted ex-dividend. The dividend will be payable from Tuesday, September 24, 1996.

Outlook 1996

AEGON has upgraded its expectations regarding the 1996 results. Based upon today's exchange rates and barring unforeseen exceptional circumstances, we expect the increase in earnings and earnings per share in guilders for 1996 to be in line with the reported 15.7% and 15% respectively for the first six months of 1996.

The Hague, August 22, 1996

AEGON IN FIGURES

First six months			First six months	
1996 USD	1995 USD	(amounts in millions)	1996 NLG	1995 NLG
Net income				
441	393	Life insurance	738	633
43	46	Accident & Health insurance	73	74
20	17	General insurance	34	28
44	41	Banking activities	74	67
(2)	3	Other activities	(4)	5
546	500	Income before tax	915	807
(122)	(119)	Corporation tax	(204)	(192)
424	381	Net income	711	615
Revenues				
4,050	3,365	Life insurance gross premiums	6,784	5,425
704	621	Accident & Health gross premiums	1,179	1,002
528	549	General insurance gross premiums	885	885
1,932	1,823	Investment income	3,236	2,938
356	370	Income from banking activities	596	596
7,570	6,728	Total revenues	12,680	10,846
1,658	1,734	Investment income for the account of policyholders	2,777	2,795
1,850	1,849	Annuity deposits	3,099	2,981
		Number of employees	19,202	19,310
		Outstanding common shares (weighted average number, '000)	263,788	261,136
Amounts per common share of NLG 1.00				
1.61	1.45	Net income⁽¹⁾	2.69	2.34
1.55	1.38	Net income fully diluted ⁽¹⁾	2.59	2.23
As at June 30 1996 USD	As at Dec. 31 1995 USD	(amounts in millions)	As at June 30 1996 NLG	As at Dec. 31 1995 NLG
21.58	19.23	Shareholders' equity ⁽²⁾	36.87	30.86
22.03	20.35	Shareholders' equity fully diluted ⁽²⁾	37.64	32.65

⁽¹⁾ Based on the weighted average number of common shares.

⁽²⁾ Based on number of common shares outstanding at the end of the period.

1995 figures per common share have been adjusted for stock dividend and the stock split.

RESULTS GEOGRAPHICALLY

Amounts in million USD

Amounts in million NLG

The Nether- lands	First six months 1996				Total		First six months 1996				Total
	Americas	United Kingdom	Other coun- tries				The Nether- lands	Americas	United Kingdom	Other coun- tries	
						Net income					
266	139	40	-4	441		Life insurance	446	232	67	-7	738
						Accident & Health					
5	37	-	1	43		insurance	9	62	-	2	73
9	0	-	11	20		General insurance	15	1	-	18	34
44	-	-	-	44		Banking activities	74	-	-	-	74
-2	-	-	-	-2		Other activities	-4	-	-	-	-4
322	176	40	8	546		Income before tax	540	295	67	13	915
				-122		Corporation tax					-204
						424 Net income					711
						Gross premiums					
1,614	724	1,624	88	4,050		Life insurance	2,703	1,213	2,720	148	6,784
						Accident & Health					
65	553	-	86	704		insurance	109	926	-	144	1,179
344	12	2	170	528		General insurance	576	20	3	286	885
2,023	1,289	1,626	344	5,282		Total gross premiums	3,388	2,159	2,723	578	8,848

Amounts in million USD

Amounts in million NLG

The Nether- lands	First six months 1995				Total		First six months 1995				Total
	Americas	United Kingdom	Other coun- tries				The Nether- lands	Americas	United Kingdom	Other coun- tries	
						Net income					
246	126	27	-6	393		Life insurance	397	204	43	-11	633
						Accident & Health					
9	36	-	1	46		insurance	14	58	-	2	74
4	1	-	12	17		General insurance	6	2	-	20	28
41	-	-	-	41		Banking activities	67	-	-	-	67
3	-	-	-	3		Other activities	5	-	-	-	5
303	163	27	7	500		Income before tax	489	264	43	11	807
				-119		Corporation tax					-192
						381 Net income					615
						Gross premiums					
1,607	512	1,188	58	3,365		Life insurance	2,590	826	1,916	93	5,425
						Accident & Health					
58	534	-	29	621		insurance	94	861	-	47	1,002
305	12	69	163	549		General insurance	492	19	112	262	885
1,970	1,058	1,257	250	4,535		Total gross premiums	3,176	1,706	2,028	402	7,312

CONDENSED CONSOLIDATED BALANCE SHEETS

As at June 30 1996 USD	As at Dec. 31 1995 USD	(amounts in millions)	As at June 30 1996 NLG	As at Dec. 31 1995 NLG
		Investments for the account of policyholders		
38,511	34,924		65,785	56,032
4,543	4,570	Other assets	7,760	7,332
97,542	93,869	Total assets	166,622	150,603
		Shareholders' equity		
5,744	5,094	Perpetual cumulative subordinated loans	9,812	8,173
732	499	Subordinated (convertible) loans	1,250	800
1,510	1,752		2,579	2,811
7,986	7,345	Equity and subordinated loans	13,641	11,784
		Technical provisions		
35,276	35,886	Technical provisions with investments for the account of policyholders	60,259	57,576
38,511	34,924	Other liabilities	65,785	56,032
15,769	15,714		26,937	25,211
97,542	93,869	Total liabilities	166,622	150,603

USD exchange rates:

Balance sheet items: closing rate NLG 1.7082 (1995: NLG 1.6044).

The published figures are unaudited.

SUMMARIZED CONSOLIDATED INCOME STATEMENTS

First six months			First six months	
1996 USD	1995 USD	(amounts in millions)	1996 NLG	1995 NLG
Revenues				
5,282	4,535	Gross premiums	8,848	7,312
1,932	1,823	Investment income	3,236	2,938
356	370	Income from banking activities	596	596
7,570	6,728	Total revenues	12,680	10,846
Benefits and expenses				
287	293	Premiums to reinsurers	481	472
4,831	4,225	Benefits paid and provided	8,092	6,810
422	307	Profit sharing and rebates	706	495
1,014	927	Commissions and expenses for own account	1,698	1,494
414	447	Interest	693	721
56	29	Miscellaneous income and expenditure	95	47
7,024	6,228	Total benefits and expenses	11,765	10,039
546	500	Income before tax	915	807
(122)	(119)	Corporation tax	(204)	(192)
424	381	Net income	711	615

USD exchange rates:

Income statement items: average rate NLG 1.675 (1995: NLG 1.612).

SUBSCRIPTION AND SALE

ABN AMRO Bank N.V., Bank Labouchere N.V., Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., ING Bank N.V., CS First Boston Limited, Deutsche Bank de Bary N.V., Generale Bank Nederland N.V., J.P. Morgan Securities Ltd., F. van Lanschot Bankiers N.V., MeesPierson N.V., NIBStrating Securities N.V., SNS bank Nederland N.V. and Swiss Bank Corporation ('the Managers') have jointly and severally agreed with the Issuer, subject to the satisfaction of certain conditions, and pursuant to a subscription agreement dated 9 October 1996 (the 'Subscription Agreement'), to subscribe for the NLG 300,000,000 7¹/₄ per cent. Perpetual Cumulative Subordinated Bonds 1996 at the issue price of 100.50 per cent. of their principal amount plus accrued interest, if any, from which issue price there shall be deducted a management and underwriting commission of 0.75 per cent. of the principal amount of the Bonds and a selling concession of 1.25 per cent. of the principal amount of the Bonds. In addition, the Issuer has agreed to pay the Managers an amount in respect of their expenses in connection with the issue of the Bonds. The Subscription Agreement entitles the Managers to terminate the Agreement in certain circumstances prior to payment to the Issuer.

The Bonds have not been, and will not be, registered under the United States Securities Act of 1933 as amended (the 'Securities Act'). Subject to certain exceptions, Bonds may not be offered, sold or delivered within the United States or to U.S. persons. Each Manager has agreed that it will not offer, sell or deliver the Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, within the United States or to, or for the account or benefit of, United States persons, and it will have sent to each dealer to which it sells Bonds during the restricted period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of United States persons.

In addition, until 40 days after the commencement of the offering, an offer or sale of Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act. (Terms used in this paragraph and the two preceding paragraphs have the meaning given to them by Regulation S under the Securities Act).

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

Each Manager has represented and agreed that:

(a) it has not offered or sold and, prior to the expiry of the period of six months from the Closing Date, will not offer or sell any Bonds to persons in the United Kingdom except to those persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995, (b) it has complied and will comply with all applicable provisions of the Financial Services Act 1986 ('FSA'), with respect to anything done by it in relation the Bonds in, from or otherwise involving the United Kingdom and, (c) it has only issued or passed on and will only issue or pass on in the United Kingdom any document received by it in connection with the issue of the Bonds to a person who is of a kind described in Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996 or is a person to whom the document may otherwise lawfully be issued or passed on.

The distribution of this Prospectus and the offering of the Bonds in certain jurisdictions may be restricted; persons into whose possession this Prospectus comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer of, or an invitation to subscribe for or purchase, any Bonds.

GENERAL INFORMATION

1. The creation and issue of the Bonds was authorised by a resolution of the Executive Board of the Issuer passed on 9 September, 1996.
2. No consents, approvals, authorisations or other orders from regulatory authorities are required by the Issuer under the laws of The Netherlands for the issue of the Bonds.
3. The financial year runs from 1 January to 31 December.
4. Moret Ernst & Young Accountants, who have audited the annual accounts of the Issuer for at least the last three years, have given and not withdrawn their written consent to the issue of this Prospectus.
5. Neither the Issuer nor any of its subsidiaries is involved in any legal or arbitration proceedings which may have a significant effect on the Group's financial position, nor is the Issuer aware of any such proceedings, pending or threatened.
6. Save as disclosed herein, there has been no material adverse change in the financial position of the Issuer and its subsidiaries since 31 December, 1995, in the context of the issue of the Bonds.
7. The Bonds and the Coupons will bear a legend as follows:
'Any United States person (as defined in the United States Internal Revenue Code) 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'.
8. The Bonds have been accepted for clearance through the Securities Clearing Corporation of the Amsterdam Stock Exchange (Security code 12141), and Cedel Bank, société anonyme and Euroclear (common code 6952704). The ISIN of the Bonds is NL 0000121416.
9. Application has been made to list the Bonds on the Amsterdam Stock Exchange. Copies of the Fiscal Agency Agreement, together with copies in English of the Articles of Incorporation of the Issuer and the latest Annual Report and published audited consolidated financial statements of the Issuer will, so long as any of the Bonds remains outstanding, be obtainable during usual business hours at the specified office of the Fiscal Agent in Amsterdam.
10. The Annual Report of 1995 including audited consolidated financial statements of the Issuer and its subsidiaries for the year ended 31 December, 1995 and the Articles of Incorporation of the Issuer, are incorporated herein by reference. Copies of the Annual Report of 1995 and of this Prospectus may be obtained at the specified office of the Fiscal Agent during normal business hours.
11. Effective from 1 June, 1995 the par value of the AEGON N.V. shares has been changed from NLG 2.50 to NLG 1.00 each share.
12. AEGON N.V. is registered at the Chamber of Commerce of The Hague under no. 76669.
13. The Issuer is established under the law of The Netherlands.