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OFFERING CIRCULAR DATED 26 OCTOBER 2004

F. van Lanschot Bankiers

1737

F. van Lanschot Bankiers N.V.

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

Euro 165,000,000 Perpetual Capital Securities
Issue price: 100 per cent.

Unless expressly indicated otherwise, the terms and expressions used herein have the same meaning as given to them in the terms and conditions (the "**Terms and Conditions**") of the Euro 165,000,000 Perpetual Capital Securities (the "**Securities**").

The Securities are perpetual securities and have no fixed redemption date. However, the Securities may be redeemed in whole but not in part at the option of the Issuer, at their liquidation preference of € 1,000 per Security together with any Outstanding Payments on the Coupon Payment Date falling on 29 October 2014 or any Coupon Payment Date thereafter. Prior redemption in case of tax events or for regulatory purposes may apply, subject to Condition 7.

The Securities will bear a variable rate of interest on their outstanding principal amount from (and including) the Issue Date and will be payable semi-annually in arrear on 29 April and 29 October of each year, subject to Condition 4 and 5. Payments (such term does not include principal) may be deferred, as more fully described in Condition 4, but any Deferred Coupon Payment will immediately become due if the Issuer makes payments on or purchases or redeems its Junior Securities or Parity Securities or if Van Lanschot N.V. (the "**Holding**") makes payments on or purchases or redeems Holding Ordinary Shares. Investors will always receive cash but the moneys to satisfy such Deferred Coupon Payments may only be raised by the issue of Holding Ordinary Shares equal to the amount of the Deferred Coupon Payments and a corresponding issue of Ordinary Shares equal to the amount of the Deferred Coupon Payments to Holding, which, when subscribed for by the Holding, will provide the cash amount due in respect of the Deferred Coupon Payments.

The Securities constitute direct, unsecured and subordinated securities of the Issuer as described in Condition 2.

This Offering Circular constitutes a prospectus for the purpose of the listing and issuing rules of Euronext Amsterdam N.V. Application has been made for the listing of the Securities on the Official Segment of the Stock Market of Euronext Amsterdam N.V. ("**Euronext Amsterdam**"). It is anticipated that the Securities will be quoted as a percentage of their principal amount of € 1,000.

The Securities are expected to be assigned, on issue, a rating of 'BBB' by Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant rating organisation.

The Securities shall have denominations of € 1,000 each. The Securities will be represented by a global security (the "**Global Security**") in bearer form without interest coupons, in the principal amount of € 165,000,000. The Global Security will be deposited with Euroclear Netherlands and purchase transactions will be cleared through Euroclear Netherlands participants including Euroclear and Clearstream. The Global Security will not be exchangeable for definitive Securities in bearer form.

Lead Managers and Joint Bookrunners

Rabobank International **F. Van Lanschot Bankiers N.V.**

The date of this Offering Circular is 26 October 2004

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IMPORTANT INFORMATION

Responsibility
The Issuer accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person has been authorised to give any information or to make any representation other than those contained in this document in connection with the offering of the Securities and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the Trustee or the Managers (as defined under 'Subscription and Sale' below). Neither the delivery of this document nor any sale made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer or Holding and its subsidiaries (together the "**Group**") since the date hereof. This document does not constitute an offer of, or an invitation by, or on behalf of, the Issuer, the Trustee or the Managers to subscribe for, or purchase, any of the Securities. This document does not constitute an offer, and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorised or is unlawful.

Neither the Managers nor the Trustee have separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Managers, the Trustee or any of them as to the accuracy or completeness of the information contained in this Offering Circular or any other information provided by the Issuer in connection with the Securities or their distribution.

Incorporation by Reference
The following documents shall be deemed to be incorporated in, and to form part of, this Offering Circular:

(a) the annual report and the annual accounts of the Holding in respect of the financial years ending 31 December 2002, 31 December 2003 and the unaudited 2004 half year report; and

(b) the Articles of Association (*statuten*) of the Issuer.

Offering and Selling Restrictions
This Offering Circular is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Managers that any recipient of this Offering Circular should purchase any of the Securities. Each investor contemplating purchasing Securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

The Securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, the Securities may not be offered, sold or delivered within the United States or to U.S. persons. For a further description of certain restrictions on the offering and sale of the Securities and on distribution of this document, see '*Subscription and Sale*' below.

STABILISATION
IN CONNECTION WITH THE ISSUE OF THE SECURITIES, RABOBANK INTERNATIONAL MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILISE OR MAINTAIN THE MARKET PRICE OF THE SECURITIES AT A LEVEL WHICH MIGHT NOT OTHERWISE PREVAIL. SUCH STABILISING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME (BUT WILL IN ANY EVENT BE DISCONTINUED 30 DAYS AFTER THE ISSUE DATE OF THE SECURITIES). SUCH STABILISING SHALL BE IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS INCLUDING ARTICLE 32 OF THE FURTHER REGULATIONS ON MARKET CONDUCT SUPERVISION ON THE SECURITIES TRADE (*NADERE REGELING GEDRAGSTOEZICHT EFFECTENVERKEER 2002*) AS AMENDED.

Miscellaneous
All references in this document to "**euro**", "**euros**" and "€" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community (signed in Rome on 25th March, 1957) as amended by the Treaty on European Union (signed in Maastricht on 7th February, 1992).

In this Offering Circular, "we", "our", "us" or the Issuer refers to F. van Lanschot Bankiers N.V. and its consolidated subsidiaries (unless the context requires otherwise).

INVESTMENT CONSIDERATIONS

The following is a summary of certain aspects of the Securities of which prospective investors should be aware. This summary is not intended to be exhaustive and prospective investors should carefully consider this summary in conjunction with the other information contained in this Offering Circular.

Deferral
The Issuer may elect to defer any Payment (such term does not include principal) on the Securities for any period of time subject to suspension of payment on Junior Securities and Parity Securities, as more particularly described in 'Terms and Conditions of the Securities – 4. Deferrals'. Unless deferral is required as described under 'Terms and Conditions of the Securities – 4. Deferrals – (a) Mandatory Deferral of Payments', any deferred payment will bear interest at the Applicable Coupon Rate.

Perpetual securities
The Issuer is under no obligation to redeem the Securities at any time and the Holders have no right to call for their redemption.

Redemption risk
Upon the occurrence of certain specified tax or regulatory events, or the Coupon Payment Date falling on 29 October 2014 or any Coupon Payment Date thereafter, the Securities may be redeemed at their principal amount together with any Outstanding Payments (as defined in 'Terms and Conditions of the Securities – 20. Definitions'), subject as provided in 'Terms and Conditions of the Securities – 7. Redemption and Purchases'.

No limitation on issuing debt
There is no restriction on the amount of debt which the Issuer may issue which ranks senior to the Securities or on the amount of securities which the Issuer may issue which ranks *pari passu* with the Securities. The issue of any such debt or securities may reduce the amount recoverable by Holders on a winding-up (*faillissement of verefenning na ontbinding*) of the Issuer or may increase the likelihood of a deferral of Payments under the Securities.

Availability of shares
If the Issuer is to make a payment using the Alternative Coupon Satisfaction Mechanism and the Holding has an insufficient number of Holding Ordinary Shares available for issue, then the Issuer's payment obligation shall be suspended to the extent of such insufficiency until such time as sufficient shares are available to satisfy all or part of the suspended payment obligation, as more particularly described in 'Terms and Conditions of the Securities – 6. Alternative Coupon Satisfaction Mechanism – (d) Insufficiency'.

Market Disruption Event
If, following a decision by the Issuer to satisfy a payment using the Alternative Coupon Satisfaction Mechanism, in the opinion of the Holding a Market Disruption Event in respect of the Holding Ordinary Shares exists, the payment to Holders may be deferred until the cessation of such market disruption, as more particularly described in 'Terms and Conditions of the Securities – 6. Alternative Coupon Satisfaction Mechanism – (e) Market Disruption'. Any such deferred payments shall bear interest at the Applicable Coupon Rate if the Market Disruption Event continues for 14 days or more.

Restricted remedy for non-payment
The sole remedy against the Issuer available to the Trustee or any Holder for recovery of amounts owing in respect of any Payment or principal in respect of the Securities will be the institution of proceedings for the winding-up of the Issuer and/or proving in such winding-up.

Set-off
Subject to applicable law, no Holder may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Securities and each Holder shall, by virtue of being the bearer of any Security, be deemed to have waived all such rights of set-off.

Absence of prior public markets
The Securities constitute an issue of new securities by the Issuer. Prior to this issue, there will have been no public market for the Securities. Although application has been made for the Securities to be listed on the Official Segment of the Stock Market of Euronext Amsterdam, there can be no assurance that an active public market for the Securities will develop and, if such a market were to develop, the Managers are under no obligation to maintain such a market. The liquidity and the market prices for the Securities can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the Issuer and other factors that generally influence the market prices of securities.

403-Statement
The Securities constitute direct, subordinated and unsecured obligations of the Issuer and rank equally among themselves. The Securities will have the benefit of a declaration issued by the Holding pursuant to Article 2:403 of the Dutch Civil Code (the "**403-Statement**"). Pursuant to the 403-Statement the Holding is jointly and severally liable for the obligations of the Issuer under the Securities. The obligation of the Holding under the 403-Statement constitutes a direct, subordinated and unsecured obligation of Holding.

The 403-Statement can be withdrawn by filing a declaration to such effect with the trade register.

SUMMARY

The following summary refers to certain provisions of the Terms and Conditions of the Securities and the Trust Deed and insofar as it refers to the Terms and Conditions of the Securities is qualified by the more detailed information contained elsewhere in this Offering Circular. Defined terms used herein have the meaning given to them in 'Terms and Conditions of the Securities'.

Issuer	F. van Lanschot Bankiers N.V.
Holding	Van Lanschot N.V. (Van Lanschot N.V. issued a 403-Statement for the benefit of the Issuer pursuant to Article 2:403 of the Dutch Civil Code)
Trustee	Amsterdamsch Trustee's Kantoor B.V.
Issue Size	€ 165,000,000
Issue Price	100 per cent.
Redemption / Call Option	The Securities are perpetual securities and have no maturity date. Subject to prior consent of De Nederlandsche Bank N.V. ("**DNB**"), the Securities may be redeemed in whole but not in part at the option of the Issuer, at their principal amount, together with any Outstanding Payments on the Coupon Payment Date falling on 29 October 2014 or any Coupon Payment Date thereafter.
Interest	The Securities will bear a variable rate of interest from (and including) the Issue Date which will be payable on each Coupon Payment Date (the "**Coupon Rate**"). The Coupon Rate payable from time to time in respect of the Securities will be determined on each Interest Determination Date for the next succeeding Coupon Period and shall be the linear interpolated effective yield on the relevant Interest determination Date for two Dutch state loans with remaining terms most closely corresponding to 10 years (as from such Interest Determination Date) (the "**Reference Loans**") plus 0.15%. The first Interest Determination Date is three Business Days before the Issue Date and the first Coupon Period runs from and including the Issue Date to but excluding 29 April 2005. If on any Interest Determination Date no Reference Loans are available, the Coupon Rate payable on the Securities will be calculated on the basis of the interpolated effective yield on the relevant Interest Determination Date for two loans which are as much as possible identical in terms of yield, nature, remaining term and creditworthiness of the borrowers thereunder to the Reference Loans (the "**Substitute Bonds**").
Interest Cap	If the Coupon Rate in respect of any Coupon Period determined in accordance with the above provisions is greater than 8%, the Coupon Rate for such Coupon Period shall be 8%.
Coupon Payment Dates	Subject as described below, Coupon Payments will be payable semi annually in arrear on 29 April and 29 October of each year (each a 'Coupon Payment Date') from (and including) 29 April 2005.
Condition of Payment	No payment in respect of the Securities shall be payable except to the extent that the Issuer is not subject to a Regulatory Event and could make such payment and still not be subject to a Regulatory Event immediately thereafter.

Status and Subordination	The Securities constitute direct, unsecured and subordinated securities of the Issuer. The rights and claims of the Holders under the Securities are subordinated to the claims of Senior Creditors of the Issuer, present and future.
Winding-up Claims	The Securities will rank on a winding-up (*faillissement of vereffening na ontbinding*) of the Issuer in priority to distributions on all classes of share capital of the Issuer and will rank *pari passu* with each other and among themselves, but will be subordinated in right of payment to the claims of Senior Creditors of the Issuer, present and future.
Mandatory Deferral of Payments	If the Issuer determines, on the 20th Business Day prior to the date on which any Payment (such term does not include principal) would, in the absence of deferral in accordance with Condition 4 of the Terms and Conditions of the Securities, be due and payable, that it is subject to a Regulatory Event or that payment of the relevant Payment would result in the Issuer becoming subject to a Regulatory Event, the Issuer must defer such Payment. Any payment so deferred may be satisfied at any time by the Issuer giving not less than 16 Business Days notice of such satisfaction (provided that at the time of satisfying such payment, the Issuer is no longer subject to a Regulatory Event). Unless the Issuer elects to defer such Payment pursuant to its optional right to defer referred to below, such required deferred payment must be satisfied on the Coupon Payment Date next following the 19th Business Day after the Issuer determines that it is no longer subject to a Regulatory Event and that such payment would not result in it becoming subject to a Regulatory Event again. No interest will accrue on payments being mandatorily deferred.
Optional Deferral of Payments	The Issuer may elect to defer any Payment (such term does not include principal) on the Securities for any period of time. However if the Issuer makes this election, the deferred payment will bear interest at the Applicable Coupon Rate for the full period of optional deferral.
Deferred and Future Interest Payments	Any Payment which has been deferred will become immediately due and payable if the Issuer or Holding makes payments on or purchases or redeems any Parity Securities, Junior Securities or Holding Ordinary Shares, as the case may be. Furthermore any payment on or purchase or redemption of Junior Securities or Holding Ordinary Shares will result in full mandatory payments for the next two coupon periods. Any payment on Parity Securities will result in a proportional mandatory payment for the relevant number of consecutive coupon periods following the payment on such Parity Securities.
Dividend Stopper	Each of the Issuer and the Holding have agreed that if the Issuer defers a payment for any reason as described above then, while any payment is so deferred, it will not recommend to its respective shareholders and, to the fullest extent permitted by applicable law, will otherwise act to prevent, any action that would constitute a Mandatory Payment Event or Mandatory Partial Payment Event.
Alternative Coupon Satisfaction Mechanism	Any Deferred Coupon Payment (with any interest accrued on such Deferred Coupon Payment, as applicable) will be satisfied using the Alternative Coupon Satisfaction Mechanism. This mechanism means that the relevant payment is satisfied from the proceeds of the issue by the Holding of such amount of Holding Ordinary Shares for cash as required to provide enough cash for the Issuer to make full payments on the Securities in respect of the relevant Payment. When the Issuer

	elects to satisfy its obligation to make any Payment (other than a payment of principal) to Holders, the Holding will issue Holding Ordinary Shares equal to the amount of the Deferred Coupon Payment as directed by the Calculation Agent and the Issuer will issue a corresponding amount of Ordinary Shares equal to the amount of the Deferred Coupon Payment to the Holding which will provide the cash amount due in respect of the Deferred Coupon Payment. Holding will calculate the number of Holding Ordinary Shares that must be issued in consultation with the Issuer to raise the full amount of money due on the Securities on the Relevant Date to the Holders. Investors will always receive payments made in respect of Securities in cash.
Insufficiency	Each of the Issuer and the Holding is required to keep available for issue enough Ordinary Shares or Holding Ordinary Shares, as the case may be, as it reasonably considers would be required to satisfy from time to time the next year's scheduled Coupon Payments and any Deferred Coupon Payments.
Market Disruption Event	If, in the opinion of the Holding, a Market Disruption Event in respect of its shares exists on or after the 15th Business Day preceding any date upon which the Issuer is due to satisfy a Payment using the Alternative Coupon Satisfaction Mechanism (which is mandatory if it concerns Deferred Coupon Payments and which the Issuer may elect to do in other cases), the payment to Holders may be deferred until the Market Disruption Event no longer exists. Any such deferred payments shall bear interest at the Coupon Rate if the Market Disruption Event continues for 14 days or more.
Additional Amounts	The Issuer will pay additional amounts to Holders of the Securities to gross up Payments upon the imposition of Dutch withholding tax, subject to customary exceptions.
Redemption for Taxation Reasons	Upon the occurrence of certain changes in the treatment of the Securities for taxation purposes as described below, the Issuer may, subject to prior consent of DNB, redeem all but not some only of the Securities at their principal amount together with any Outstanding Payments.
Redemption for Regulatory Reasons	If the Issuer is not permitted to treat the aggregate principal amount of the Securities as own funds and core capital (tier 1 capital or equivalent) for the purposes of determination of its solvency margin, capital adequacy ratios or comparable margins or ratios under applicable capital adequacy regulations, then the Issuer may, subject to prior consent of DNB, redeem all, but not some only, of the Securities at their principal amount together with any outstanding payments.
Remedy for Non-Payment	The sole remedy against the Issuer available to any Holder of Securities for recovery of amounts owing in respect of the Securities will be the institution of proceedings for the winding-up (*faillissementsprocedure*) of the Issuer and/or proving in such winding-up.
Form	The Securities will be represented by a Global Security in bearer form (the '**Global Security**'), without coupons, in the principal amount of € 165,000,000. The Global Security will be deposited with Euroclear Netherlands (*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*). The Global Security will not be exchangeable for definitive Securities in bearer form.

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Clearing Systems	Euroclear Netherlands, Clearstream and Euroclear.
Selling Restrictions	The offering and sale of the Securities are subject to all applicable selling restrictions. See **'Subscription and Sale'** on page 44.
Listing	Application has been made to list the Securities on the Official Segment of the Stock Market of Euronext Amsterdam. It is anticipated that the Securities will be quoted as a percentage of their principal amount of € 1,000.
Ratings	The Securities are expected to be assigned, on issue, a rating of 'BBB' by Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant rating organisation.
Governing Law	The Securities will be governed by, and construed in accordance with the laws of the Netherlands.

TERMS AND CONDITIONS OF THE SECURITIES

The following, subject to alteration, are the terms and conditions of the Securities which will be endorsed on the Global Security:

The Securities are constituted by the Trust Deed. The issue of the Securities was authorised pursuant to resolutions of the Board of Managing Directors of the Issuer passed on 22 September 2004. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed. Copies of the Trust Deed, the Agency Agreement and the Calculation Agency Agreement are available for inspection during normal business hours by the Holders at the registered office of the Trustee, being at Frederik Roeskestraat 123, 1076 EE, Amsterdam, the Netherlands and at the specified office of each of the Paying Agents. The Holders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Agency Agreement and the Calculation Agency Agreement applicable to them.

1. Form, Denomination and Title

(a) Form and Denomination

The Securities are in bearer form and shall be in denominations of € 1,000 each. The Securities will be represented by a Global Security without Coupons, in the principal amount of € 165,000,000. The Global Security will be deposited with Euroclear Netherlands and thereby become subject to the Dutch Securities Giro Transfer Act (*Wet Giraal Effectenverkeer*, "**WGE**"). The Global Security will not be exchangeable for definitive bearer Securities.

(b) Transfer and Title

Interests in the Global Security will be transferable only in accordance with the provisions of the WGE and the rules and procedures for the time being of Euroclear Netherlands and its participants (*aangesloten instellingen*) and all transactions in (including transfer of) Securities, in the open market or otherwise must be effected through participants of Euroclear Netherlands. The bearer of a Global Security will be the only person entitled to receive payments in respect of the Global Security. Each person who is for the time being shown in the records of Euroclear Netherlands or any of its participants as the holder of a particular nominal amount of such Securities (each an 'Accountholder') (in which regard any certificate or other document issued by Euroclear Netherlands or such participant as to the nominal amounts of Securities 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 the Paying Agent as the holder of such nominal amount of such Securities for all purposes other than with respect to the payment of principal or interest on the Securities, for which purpose the bearer of the Global Security shall be treated by the Issuer and the Paying Agent as the holder of such Securities in accordance with and subject to the terms of the Global Security.

2. Status

(a) Status and Subordination of the Securities

The Securities constitute direct, unsecured, subordinated securities of the Issuer and rank *pari passu* without any preference among themselves.

(b) (i) *Condition of Payment by the Issuer:* Payments in respect of the Securities (and the issue of Ordinary Shares in accordance with Condition 6) are conditional upon the Issuer not being subject to a Regulatory Event at the time of payment (or at the time of issue of such Ordinary Shares) and no principal or Payments shall be due and payable in respect of the Securities (including the issue of Ordinary Shares in accordance with Condition 6) except to the extent that the Issuer is not subject to a Regulatory Event and could make such payment (or make such issue of Ordinary Shares) and still not be subject to a Regulatory Event.

For the purposes of this Condition 2(b)(i) any reference to a payment by the Issuer in respect of a Security shall be deemed to include a redemption or purchase of such Security by the Issuer.

(ii) *Winding-Up Claims of the Issuer:* Amounts in respect of principal or Payments in respect of which the conditions referred to in Condition 2(b)(i) are not satisfied on the date up on which the same would otherwise be due and payable ('Winding-Up Claims') will be payable by the Issuer in a winding-up (*faillissement of vereffening na ontbinding*) of the Issuer as provided in Condition 3 and on any redemption pursuant to Condition 7(b), 7(c) or 7(d). A Winding-Up Claim shall not bear interest.

(iii) *Set-off:* Subject to applicable law, no Holder may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Securities and each Holder shall, by virtue of being the bearer of any Security, be deemed to have waived all such rights of set-off.

3. Winding-up

If at any time an order is made, or an effective resolution is passed, for the winding-up (*faillissement of vereffening na ontbinding*) of the Issuer (except in any such case a solvent winding-up solely for the purpose of a reconstruction or amalgamation or the substitution in place of the Issuer of a successor in business (as defined in the Trust Deed) of the Issuer, the terms of which reconstruction, amalgamation or substitution have previously been approved in writing by the Trustee or by an Extraordinary Resolution), there shall be payable by the Issuer in respect of each Security (in lieu of any other payment by the Issuer) a winding-up amount. The Securities will rank on a winding-up (*faillissement of vereffening na ontbinding*) of the Issuer in priority to distributions on all classes of share capital of the Issuer and will rank *pari passu* with each other and among themselves, but will be subordinated in right of payment to the claims of Senior Creditors of the Issuer, present and future.

In a winding-up of the Issuer, Holders of the Securities will only have a claim for payment in full or part of principal and Deferred Coupon Payments, if any, to the extent that distributable assets of the Issuer are sufficient to pay in full or part such amount of principal and such Deferred Coupon Payments.

4. Deferrals

The Issuer must make each Coupon Payment on the relevant Coupon Payment Date subject to and in accordance with these Terms and Conditions. Without prejudice to the generality of Condition 2 and subject to Condition 4(c), the Issuer must or may defer a Coupon Payment and any other Payment in the following circumstances:

(a) Mandatory Deferral of Payments

(i) Subject to Condition 4(c) if, on the 20th Business Day preceding the date on which any Payment would, in the absence of deferral in accordance with this Condition 4, be due and payable, the Mandatory Deferral Condition is met, any such Payment must (subject to Condition 6) be deferred by the Issuer giving notice (a 'Deferral Notice') to the Trustee, the Holders, the Principal Paying Agent and the Calculation Agent not less than 16 Business Days prior to such date.

Subject to Condition 4(c), if, following the deferral of a Payment by the Issuer under this Condition 4(a)(i), the Mandatory Deferral Condition is no longer met on the 20th Business Day preceding a Coupon Payment Date, then the Issuer shall satisfy such Payment on the relevant Deferred Coupon Satisfaction Date having given, not less than 16 Business Days prior to the Deferred Coupon Satisfaction Date, notice to the Trustee, the Holders and the Calculation Agent that it will satisfy such Payment on such date.

(ii) The Issuer shall not satisfy such Payment on the relevant Deferred Coupon Satisfaction Date referred to in Condition 4(a) (i) above, if:

(1) it has previously elected to satisfy such Payment earlier (provided that, at the time of satisfying such payment, the Mandatory Deferral Condition fails to be met) by delivering a notice to the Trustee, the Holders, the Principal Paying Agent and the Calculation Agent not less than 16 Business Days prior to the relevant Deferred Coupon Satisfaction Date that it will satisfy such Payment on such date; or

(2) it validly elects to defer under Condition 4(b) the Payment which would otherwise have been satisfied under Condition 4(a) (i).

(iii) If any Payment is deferred pursuant to this Condition 4(a) then no amount will be payable by way of interest on any such deferred Payment, save as provided in Condition 6(e).

Any such deferred Payment shall be satisfied from the proceeds of the issue of Holding Ordinary Shares in accordance with Condition 6.

(b) Optional Deferral of Payments

(i) Subject to Condition 4(c), the Issuer may in respect of any Payment which would, in the absence of deferral in accordance with this Condition 4, be due and payable, defer all or part of such Payment by giving a notice (also a 'Deferral Notice') to the Trustee, the Principal Paying Agent, the Calculation Agent and the Holders not less than 16 Business Days prior to the relevant due date. Subject to Condition 4(c), the Issuer may then satisfy any such Payment at any time by means (and, unless the prior consent of the relevant regulator is obtained, only by means) of an issue of Holding Ordinary Shares in accordance with Condition 6 upon delivery of a notice to the Trustee, the Principal Paying Agent and the Calculation Agent not less than 16 Business Days prior to the relevant Deferred Coupon Satisfaction Date informing them of its election to so satisfy such Payment and specifying the relevant Deferred Coupon Satisfaction Date.

(ii) If any Payment is deferred pursuant to this Condition 4(b) then such deferred Payment shall bear interest at the Applicable Coupon Rate from (and including) the date on which (but for such deferral) the Deferred Coupon Payment would otherwise have been due to be made to (but excluding) the relevant Deferred Coupon Satisfaction Date.

(c) Mandatory Payments and Mandatory Partial Payments

The Issuer may give a Deferral Notice under Condition 4(a) and 4(b) above in its sole discretion and for any reason, except that a Deferral Notice as to a Payment required to be paid pursuant to (i), (ii) or (iii) below shall have no force or effect.

The Issuer will be required to make payments on the Securities in the following circumstances:

(i) If a Mandatory Payment Event or a Mandatory Partial Payment Event occurs then all Deferred Coupon Payments will become mandatorily due and payable in full on the date of the Mandatory Payment Event or Mandatory Partial Payment Event, notwithstanding any further Deferral Notice or an occurrence or continuance of the Mandatory Deferral Condition.

The Issuer may satisfy its obligations to pay such Deferred Coupon Payment only in accordance with the Alternative Coupon Satisfaction Mechanism. For the avoidance of doubt the Issuer will not be required to utilise the Alternative Coupon Satisfaction Mechanism in order to satisfy its obligation to pay any Mandatory Partial Payment payable on a Mandatory Partial Payment Date that coincides with the date on which such Deferred Coupon Payment has become mandatory due and payable in full.

(ii) If a Mandatory Payment Event occurs, then subject as provided in the next sentence, the Coupon Payments payable on the next two Coupon Payment Dates will be mandatorily due and payable in full on the relevant consecutive Coupon Payment Dates, notwithstanding any Deferral Notice as to such Coupon Payments or the occurrence or continuance of any Mandatory Deferral Condition. If the Mandatory Payment Event is a payment on a Junior Security or on a Junior Guarantee or on a security benefiting from a Junior Guarantee which in each case is in respect of a semi annual dividend, then the Coupon Payment payable on only the immediately next following Coupon Payment Date will be due and payable in full on such Coupon Payment Date notwithstanding any Deferral Notice as to such Coupon Payments or the occurrence or continuance of any Mandatory Deferral Condition. The Issuer is

permitted, but shall not be required, to satisfy its obligation to make the Coupon Payment payable on such Coupon Payment Date in accordance with the Alternative Coupon Satisfaction Mechanism.

(iii) If a Mandatory Partial Payment Event occurs, then Mandatory Partial Payments will be mandatorily due and payable in respect of each Security, notwithstanding any Deferral Notice or an occurrence of the Mandatory Deferral Condition. Such Mandatory Partial Payments shall be payable on the immediately next two consecutive Coupon Payment Dates or the immediately next Coupon Payment Date, as the case may be, after the occurrence of such Mandatory Partial Payment Event, depending on whether the Parity Securities pay dividends or income distributions on an annual basis or a semi annual basis, as the case may be. The Issuer is permitted, but shall not be required, to satisfy its obligation to pay any Mandatory Partial Payments in accordance with the Alternative Coupon Satisfaction Mechanism.

(d) Dividend Stopper

Each of the Issuer and the Holding have agreed that if the Issuer defers a payment for any reason as described above then, while any payment is so deferred, it will not recommend to its respective shareholders and, to the fullest extent permitted by applicable law, will otherwise act to prevent, any action that would constitute a Mandatory Payment Event or Mandatory Partial Payment Event.

5. Coupon Payments

(a) Coupon Payment Dates

Subject to Condition 4(b)(ii), the Securities bear interest from (and including) the Issue Date. Such interest will (subject to Conditions 2(b)(i), 4(a), 4(b), 6(d) and 6(e)) be payable semi-annually in arrear on each Coupon Payment Date. Each Security will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest at the prevailing rate in accordance with this Condition (both before and after judgment) as provided in the Trust Deed.

If any Coupon Payment Date would otherwise fall on a day which is not a Business Day it shall be postponed to the next Business Day unless it would then fall into the next calendar month in which event the Coupon Payment Date shall be brought forward to the preceding Business Day.

(b) Coupon Rate

The Coupon Rate payable from time to time in respect of the Securities will be determined on the basis of the following provisions:

(i) the rate of interest payable from time to time in respect of the Securities will be determined on each Interest Determination Date for the next succeeding Coupon Period by the Calculation Agent on the Interest Determination Date in question. The Coupon Rate for the Coupon Period shall be the linear interpolated effective yield calculated on the closing prices on the relevant Interest Determination Date for two Dutch state loans with remaining terms most closely corresponding to 10 years (as from such Interest Determination Date) (the "**Reference Loans**") plus 0.15%, whereby one Reference Loan has a remaining term shorter than 10 years and one Reference Loan a remaining term longer than 10 years The first Interest Determination Date is three Business Days before the Issue Date and the first Coupon Period runs from and including the Issue Date to but excluding 29 April 2005;

(ii) If on any Interest Determination Date no Reference Loans are available, the Coupon Rate payable on the Securities will be calculated on the basis of the interpolated effective yield on the relevant Interest Determination Date for two loans which are as much as possible identical in terms of yield, nature, remaining term and creditworthiness of the borrowers thereunder to the Reference Loans (the "**Substitute Bonds**");

(iii) If the Coupon Rate in respect of any Coupon Period determined in accordance with the above provisions is greater than 8%, the Coupon Rate for such Coupon Period shall be 8%.

(c) Determination and Publication of Coupon Rate and Coupon Amounts

The Calculation Agent will, upon the determination of each Coupon Rate pursuant to Condition 5(b), calculate the Coupon Amount and cause the Coupon Rate and each Coupon Amount payable in respect of a Coupon Period to be notified to the Trustee, the Issuer, the Principal Paying Agent, Euronext Amsterdam N.V. and the Holders and to be published on the website of the Issuer as soon as possible after their determination but in no event later than the fourth Business Day thereafter.

The amount of interest payable for any period will be computed on the basis of a 360-day year of twelve 30-day months. The rate at which interest will be payable for each full Coupon Period will be computed by dividing the relevant Coupon Rate by two and rounding the resultant figure to the nearest cent, half a cent being rounded upwards.

(d) Determination or Calculation by Trustee

If the Calculation Agent does not at any time for any reason (i) determine the Coupon Rate in accordance with Condition 5(b), or (ii) calculate a Coupon Amount in accordance with Condition 5(c), the Trustee or an agent on its behalf shall do so and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee or such agent shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it or such agent can do so, and in all other respects it or such agent shall do so in such manner as it shall deem fair and reasonable in all the circumstances. All determinations or calculations made or obtained for the purposes of the provisions of this Condition 5(d) by or on behalf of the Trustee, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, the Paying Agents and all Holders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Holders shall attach to the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6. Alternative Coupon Satisfaction Mechanism

(a) Alternative Coupon Satisfaction Mechanism

If any Deferred Coupon Payment (with any interest accrued on such Deferred Coupon Payment, as applicable) is to be made, it will be satisfied using the Alternative Coupon Satisfaction Mechanism. In addition the Issuer may elect to satisfy its obligation to make any Payment (other than Deferred Coupon Payments and a payment of principal) to holders by using the Alternative Coupon Satisfaction Mechanism. "Alternative Coupon Satisfaction Mechanism" means that the relevant payment is satisfied through the application of cash proceeds of an issue by the Holding of Holding Ordinary Shares, for subscription on a corresponding issue by the Issuer of Ordinary Shares to the Holding for cash as required to provide enough cash for the Issuer to make full payments on the Securities in respect of the relevant Payment, in accordance with and subject to the following provisions of this Condition 6. Investors will always receive payments made in respect of Securities in cash.

If the Issuer uses the Alternative Coupon Satisfaction Mechanism, the Issuer shall notify the Holding, the Trustee, the Principal Paying Agent and the Calculation Agent not less than 16 Business Days prior to the relevant Coupon Payment Date. In the absence of or save to the extent of such election and issue, subject to Condition 4(a) (*Mandatory Deferral of Payments*) and Condition 4 (b) (*Optional Deferral of Payments*), Payments must be satisfied in accordance with Condition 8(a), provided that if under Condition 4(a) (*Mandatory Deferral of Payments*) the Mandatory Deferral Condition is met the relevant Payment must be deferred unless (i) the Issuer is no longer subject to a Regulatory Event or (ii) a Mandatory Payment Event or a Mandatory Partial Payment Event occurs.

(b) *Issue of shares*

If any Payment is to be satisfied through the application of cash proceeds from the issue of Holding Ordinary Shares by the Holding and the corresponding issue of Ordinary Shares by the Issuer to the Holding then, subject to Conditions 6(d) and 6(e):

(i) by close of business on or before the seventh Business Day prior to the relevant Coupon Payment Date or Deferred Coupon Satisfaction Date the Holding will issue such number of Holding Ordinary Shares and the Issuer will issue such number of Ordinary Shares (the 'Payment Ordinary Shares') as, in each case, in the determination of the Calculation Agent, have a market value of not less than the relevant Payment to be satisfied in accordance with this Condition 6;

(ii) if, after the operation of the above procedures, there would in the opinion of the Calculation Agent be a shortfall on the date on which the relevant Payment is due, the Holding shall issue further Holding Ordinary Shares and the Issuer shall issue further Ordinary Shares to the Holding, each in accordance with the provisions of the Trust Deed to ensure that a sum at least equal to the relevant Payment is available to make the Payment in full on the relevant due date provided that if, despite the operation of the aforementioned provisions, such a shortfall exists on the relevant due date the Issuer or the Holding may, in accordance with the provisions of the Trust Deed either pay an amount equal to such shortfall as soon as practicable to the Trustee or continue, to issue Ordinary Shares or Holding Ordinary Shares until the Principal Paying Agent shall have received funds equal to the full amount of such shortfall.

(c) *Receipt of cash proceeds in respect of Issue of Holding Ordinary Shares satisfies Payment*

Where the Issuer either elects or is required to make a Payment hereunder by application of the cash proceeds of an issuance by the Holding of Holding Ordinary Shares and a corresponding issuance by the Issuer of Ordinary Shares to the Holding and each of Holding and the Issuer in accordance with its obligations under the Trust Deed issues such shares, the cash proceeds of such issue by the the Holding shall, subject to condition 6(e), be used to satisfy the relevant Payment or, as the case may be, in the circumstances referred to in (d) below, the relevant part of such Payment.

(d) *Insufficiency*

(i) If the Issuer is to satisfy a Payment in accordance with this Condition 6 and the Holding and/or the Issuer does not, on the date when the number of Holding Ordinary Shares and Ordinary Shares required to be issued is determined in accordance with this Condition 6, have sufficient number of Holding Ordinary Shares and/or Ordinary Shares, as the case may be, available for issue, then the Issuer and/or the Holding shall notify the Trustee, the Principal Paying Agent, the Calculation Agent and the Holders that all or part, as the case may be, of the relevant Payment cannot be so satisfied due to the events described in this paragraph. In this case the Payment or part thereof shall be satisfied following the date of the next annual general meeting or extraordinary general meeting of shareholders of the Issuer and/or the Holding, as the case may be, at which a resolution is passed making a sufficient number of Holding Ordinary Shares and/or Ordinary Shares, as the case may be, available to satisfy all or such part of the relevant Payment provided that if the number of Holding Ordinary Shares and/or Ordinary Shares, as the case may be, authorised to be issued at any such meeting is insufficient to satisfy all or such part of the relevant Payment then those Holding Ordinary Shares and/or Ordinary Shares, as the case may be, so issued shall be applied by the Issuer in part satisfaction of all or such part of the relevant Payment. Following the passage of any such resolution, the Issuer shall notify the Trustee, the Paying Agent, the Calculation Agent and the Holders of the date upon which the relevant Payment or, as the case may be, the part thereof is to be made in accordance herewith on not less

than 16 Business Days' notice. The relevant Payment or, as the case may be, the part thereof which is not so satisfied shall, unless it is a required Deferred Coupon Payment which had been deferred under Condition 4(a) and has not been subsequently either satisfied or deferred in accordance with Condition 4(b), continue to accrue interest at the rate specified in Condition 4(b)(ii) from (and including) the date on which Payment would otherwise have been due to (but excluding) the date on which such Payment or part thereof is satisfied or, in the event of a Market Disruption Event, the date on which such Payment or part thereof would, but for the occurrence of such Market Disruption Event, have been satisfied (from which date interest (if any) will accrue on such Payment as provided in Condition 6(e)).

(ii) If, in the case of an insufficiency of Holding Ordinary Shares and/or Ordinary Shares, as the case may be, the Holding and/or the Issuer, as the case may be, does not hold an annual general meeting within 6 months of giving the above first-mentioned notice, at which a resolution to make a sufficient number of Holding Ordinary Shares and/or Ordinary Shares, as the case may be, so available is proposed, the Trustee shall by notice require the Holding and/or the Issuer, as the case may be, to convene an extraordinary general meeting at which such a resolution shall be proposed on a date falling within 10 weeks of such notice from the Trustee.

(iii) In the event that any such resolution proposed at any such annual general meeting or extraordinary general meeting of the Holding and/or the Issuer, as the case may be, is rejected, such resolution will be proposed at each annual general meeting or any extraordinary general meeting of the Holding and/or the Issuer, as the case may be, thereafter until such time as such resolution has been passed by the shareholders of the Holding and/or the Issuer, as the case may be.

(e) Market Disruption

Notwithstanding the provisions of Condition 6(b), if there exists, in the opinion of the Holding (subject, where necessary, to determinations made by the Calculation Agent), a Market Disruption Event on or after the 15th Business Day preceding any date upon which a Payment or, in the case of an insufficiency as provided in paragraph (d) above, part thereof is due to be made or satisfied in accordance with this Condition 6, then the Holding may give a notice to the Issuer, the Trustee, the Principal Paying Agent, the Calculation Agent and the Holders as soon as possible after the Market Disruption Event has arisen or occurred, whereupon the relevant Payment shall be deferred until such time as (in the opinion of the Issuer) the Market Disruption Event no longer exists.

Any such deferred Payment or part thereof will be satisfied as soon as practicable following such time as the Market Disruption Event no longer exists. Interest shall not accrue on such deferred Payment or part thereof unless, as a consequence of the existence of a Market Disruption Event, the Issuer does not make the relevant Payment or part thereof for a period of 14 days or more after the due date therefore, in which case interest shall accrue on such deferred Payment or part thereof from (and including) the date on which the relevant Payment or part thereof was due to be made to (but excluding) the date on which such Payment or part thereof is made. Any such interest shall accrue at the rate provided for in Condition 5 and shall be satisfied only in accordance with this Condition 6 and as soon as reasonably practicable after the relevant deferred Payment is made.

(f) Certification to Trustee

The Issuer and the Holding will certify to the Trustee that the proceeds used to make any Deferred Coupon Payment have been funded through the issue by the Holding of Holding Ordinary Shares, and a corresponding issue by the Issuer of Ordinary Shares to the Holding which will provide the cash amount due in respect of the Deferred Coupon Payment.

7. Redemption and Purchases

(a) No Fixed Redemption Date

The Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Conditions 2 and 3 and without prejudice to the provisions of Condition 12) only have the right to repay them in accordance with the following provisions of this Condition 7.

(b) Issuer's Call Option

Subject to Condition 2(b)(i) and prior consent of DNB, the Issuer may, by giving not less than 30 nor more than 60 days' notice to the Holders in accordance with Condition 16 and to the Principal Paying Agent and the Trustee, which notice shall be irrevocable, elect to redeem all, but not some only, of the Securities on the Coupon Payment Date falling on 29 October 2014 or any Coupon Payment Date thereafter at their principal amount together with any Outstanding Payments.

(c) Redemption due to Taxation

If the Issuer satisfies the Trustee immediately prior to the giving of the notice referred to below that, on the next due date for a Coupon Payment:

(i) the Issuer would, for reasons outside its control, be unable to make such payment without being required to pay additional amounts as provided or referred to in Condition 11; or

(ii) payments of amounts in respect of interest on the Securities including, for the avoidance of doubt, the issue of Holding Ordinary Shares pursuant to Condition 6, may be treated as 'distributions' within the meaning of Section II of the Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*) (or such other Section and/or Act as may from time to time supersede or replace Section II of the Dividend Withholding Tax Act 1965 for the purposes of such definition) and such requirement or circumstance cannot be avoided by the Issuer taking such measures as it (acting in good faith) deems appropriate; or

(iii) as a result of any change in or proposed change in, or amendment to or proposed amendment to, the laws of the Netherlands or any political subdivision or authority thereof having power to tax, or any change in or proposed change in the application of official or generally published interpretation of such laws, or any interpretation or pronouncement by any relevant tax authority that provides for a position with respect to such law or regulations that differs from the previously generally accepted position in relation to similar transactions or which differs from any specific written confirmation given by a tax authority in respect of the Securities, which change or amendment becomes, or would become, effective, or in the case of a change or proposed change in law if such change is enacted (or, in the case of a proposed change, is expected to be enacted) by Act of Parliament or made by Statutory Instrument on or after 26 October 2004, there is more than an insubstantial risk that the Issuer will not obtain full or substantially full relief for the purposes of Dutch corporation tax for any payment of interest including, for the avoidance of doubt, where the payment of interest is to be satisfied by the issue of Holding Ordinary Shares;

then the Issuer may (subject to Condition 2(b)(i) and prior consent of DNB), having given not less than 30 nor more that 60 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 16, the Holders (which notice shall be irrevocable), redeem, in accordance with these Terms and Conditions, at any time all, but not some only, of the Securities at their principal amount together with any Outstanding Payments.

Prior to the publication of any notice of redemption pursuant to this Condition 7(c), the Issuer shall deliver to the Trustee a certificate signed by a member of the Executive Board of the Issuer stating that the relevant requirement or circumstance referred to in paragraphs (i), (ii) or (iii) above is satisfied and the Trustee shall accept such certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and

binding on the Holders.

(d) Redemption for Regulatory Purposes
If the Issuer notifies the Trustee immediately prior to the giving notice referred to below that DNB has determined that securities of the nature of the Securities cease to qualify as Tier 1 Capital of the Issuer (or instruments of a similar nature which qualify as core capital) for the purposes of applicable adequacy regulations (a "**Capital Disqualification Event**"), then the Issuer may (subject to the prior consent of DNB) and Condition 2(b)(i)), having given not less than 30 nor more than 60 days' notice (which notice shall be irrevocable) to the Trustee, the Principal Paying Agent and, in accordance with Condition 16, the Holders redeem, in accordance with these Terms and Conditions, at any time all, but not some only, of the Securities at their principal amount together with any Outstanding Payments.

(e) Purchases
The Issuer, may (subject to Condition 2(b)(i)) at any time purchase Securities in any manner and at any price.

(f) Cancellation
Cancellation of any Securities so redeemed by the Issuer will be effected by reduction in the principal amount of the Global Security and may not be reissued or resold. Securities purchased by the Issuer, may be held, reissued, resold or, at the option of the Issuer, be cancelled by decreasing the number of Securities represented by the Global Security by an equal number. Any Securities so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such Securities shall be discharged.

8. Payments

(a) Method of Payment

(i) Payments of principal and Coupon Amounts and all other payments on or in respect of the Securities will be in euro and will be calculated by the Calculation Agent and effected through the Paying Agents.

Payments of redemption amounts and interest in respect of the Securities will, subject as set out below, be made against presentation for endorsement and, if no further payment falls to be made in respect of the Securities, surrender of the Global Security to the order of the Paying Agent. A record of each payment will be endorsed on the appropriate part of the schedule to the Global Security by or on behalf of the Paying Agent, which endorsement shall be *prima facie* evidence that such payment has been made in respect of the Securities.

(ii) The names of the initial Paying Agents and their initial specified offices are set out below. The Issuer reserves the right, subject to the prior written approval of the Trustee at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that it will at all times maintain (aa) a Paying Agent having a specified office in the Netherlands (bb) for so long as the Securities are listed on the Official Segment of the Stock Market of Euronext Amsterdam or any other stock exchange or regulated securities market and the rules of such exchange or securities market so require, a Paying Agent having a specified office in such location as the rules of such exchange or securities market may require and (cc) if a European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 comes into force, a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26th to 27th November, 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive. Notice of any such termination or appointment and of any change in the specified offices of the Paying Agents will be given to the Holders in accordance with Condition 16.

(b) *Payments subject to fiscal laws*
All payments made in accordance with these Terms and Conditions will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 11.

(c) *Payments on Payment Business Days*
A Global Security may only be presented for payment on a day (other than a Saturday or a Sunday) on which (i) commercial banks are open for general business in Amsterdam and, if different, in the place of the specified office of the relevant Paying Agent to whom the Global Security is presented for payment and (ii) the Trans-European Real-time Gross settlement Express Transfer (TARGET) System is operating. No further interest or other payment will be made as a consequence of the day on which the Global Security may be presented for payment under this paragraph falling after the due date.

9. Reservation of Ordinary Shares and Holding Ordinary Shares

Each of the Issuer and the Holding shall, from time to time, keep available for issue such number of Ordinary Shares and Holding Ordinary Shares as it reasonably considers would be required to be issued in order to satisfy the requirement to issue Payment Ordinary Shares in accordance with Condition 6 in connection with the next two Coupon Payments.

No damages will be payable for breach of this covenant but, in the event of breach by the Issuer or the Holding of this Condition 10, the Trustee may require that the Issuer or the Holding, as the case may be, holds as soon as practicable an extraordinary general meeting of the shareholders of the Issuer or the Holding, as the case may be, at which a resolution is passed to remedy the breach.

The Trustee shall not be obliged to monitor compliance by the Issuer or the Holding with this Condition and shall be entitled to assume, unless it has actual knowledge to be contrary, that the Issuer is complying with its obligations under this Condition.

10. Non-Payment when Due

Notwithstanding any of the provisions below in this Condition 10, the right to institute winding-up proceedings is limited to circumstances where payment has become due. Pursuant to Condition 2(b) and subject as provided in the next sentence no principal or Payment will be due by the Issuer if the Issuer is not solvent or would not be solvent if payment of such principal or Payment was made. Also, in the case of any Payment, such Payment will not be due if the Issuer has elected to defer that Payment pursuant to Condition 4(a) or 4(b) or if the circumstances referred to in any of Conditions 6(d) or 6(e) then apply. The Trust Deed contains provisions entitling the Trustee to claim from the Issuer, inter alia, the fees, expenses and liabilities incurred by it in carrying out its duties under the Trust Deed. The restrictions on commencing proceedings described below will not apply to any such claim.

(a) If the Issuer shall not make payment in respect of the Securities for a period of 14 days or more after the date on which such payment is due, the Issuer shall be deemed to be in default under the Trust Deed, and the Securities and the Trustee may, notwithstanding the provisions of paragraph (b) of this Condition 10, institute proceedings in the Netherlands (but not elsewhere) for the winding-up of the Issuer.

(b) Subject as provided in Condition 9, the Trustee may at its discretion and without further notice institute such proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Trust Deed, the Securities (other than for the payment of any principal or satisfaction of any Payments in respect of the Securities, including any payment under Clause 2.6 of the Trust Deed) provided that the Issuer shall not by virtue of the institution of any such proceedings be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

(c) The Trustee shall not be bound to take any of the actions referred to in paragraph (a) or (b) above against the Issuer to enforce the terms of the Trust Deed or the Securities unless (i) it shall have been so requested by an Extraordinary

Resolution or in writing by the holders of at least one-fifth in principal amount of the Securities then outstanding and (ii) it shall have been indemnified to its satisfaction.

(d) No Holder shall be entitled to proceed directly against the Issuer, or to institute proceedings for the winding-up of the Issuer or to prove in such winding-up unless the Trustee, having become so bound to proceed or being able to prove in such winding-up, fails to do so within a reasonable period and such failure shall be continuing, in which case the Holder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise. No remedy against the Issuer shall be available to the Trustee or any Holder (i) for the recovery of amounts owing in respect of the Securities (including any payment under Clause 2.6 of the Trust Deed), other than the institution of proceedings in the Netherlands (but not elsewhere) for the winding-up of the Issuer and/or proving in such winding-up and (ii) for the breach of any other term under the Trust Deed, the Securities other than as provided in paragraph (b) above.

11. Taxation

All payments by the Issuer of principal, Coupon Amounts, Deferred Coupon Payments, Mandatory Payments, Mandatory Partial Payments, Accrued Coupon Payments and Winding-Up Claims in respect of the Securities will be made without withholding of or deduction for, or on any account of, any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed or levied by or on behalf of the Netherlands or any political subdivision thereof or by any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event the Issuer will pay such additional amounts as may be necessary in order that the net amounts receivable by Holders after such withholding or deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the Securities in the absence of such withholding or deduction, except that no such additional amounts shall be payable in relation to any payment with respect to any Security:

(i) to or to a third party on behalf of a Holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Security by reason of such Holder or, as the case may be, having some connection with the Netherlands other than the mere holding of such Security; or

(ii) to, or to a third party on behalf of, a Holder if such withholding or deduction may be avoided by complying with any statutory requirement or by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or

(iii) to, or to a third party on behalf of, a Holder, that is a partnership, or a Holder, that is not the sole beneficial owner of the Security or which holds the Security in a fiduciary capacity, to the extent that any of the members of the partnership, the beneficial owner or the settlor or beneficiary with respect to the fiduciary would not have been entitled to the payment of an additional amount had each of the members of the partnership, the beneficial owner, settlor or beneficiary (as the case may be) received directly his beneficial or distributive share of the payment; or

(iv) presented for payment more than 30 days after the Relevant Date except to the extent that the Holder would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or

(v) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Union Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26th-27th November, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

References in these Terms and Conditions to principal, Coupon Amounts, Deferred Coupon Payments, Mandatory Partial Payments and/or Accrued Coupon Payments

shall be deemed to include any additional amounts which may become payable pursuant to the foregoing provisions or any undertakings given in addition thereto or in substitution therefore pursuant to the Trust Deed.

In the event that any payment is satisfied through the issue of Ordinary Shares and Holding Ordinary Shares pursuant to Condition 6, then any additional amounts which are payable shall also be satisfied from the proceeds of the issue of Ordinary Shares and Holding Ordinary Shares.

12. Prescription

Claims for payment in relation to Securities will become void unless exercised within a period of 5 years from the due date hereof.

13. Meetings of Holders, Modification, Waiver and Substitution

The Trust Deed contains provisions for convening meetings of Holders to consider any matter affecting their interests including the modification by Extraordinary Resolution of a modification of any of these Terms and Conditions or any of the provisions of the Securities, or the Trust Deed. Any Extraordinary Resolution duly passed shall be binding on all Holders (whether or not they were present at the meeting at which such resolution was passed).

The Trustee may agree, without the consent of the Holders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Holders. Any such modification, authorisation or waiver shall be binding on the Holders and, if the Trustee so requires, such modification shall be notified to the Holders as soon as practicable thereafter in accordance with Condition 16.

As provided in the Trust Deed, the Trustee may agree with the Issuer, without the consent of the Holders to substitution on a subordinated basis equivalent to that referred to in these Terms and Conditions of any holding company of the Issuer, any subsidiary of such holding company, any Subsidiary, any successor in business of the Issuer or any subsidiary of any successor in business of the Issuer (the 'Substituted Issuer') in place of the Issuer (or any previous Substituted Issuer under this Condition 13) as a new issuing party under the Trust Deed, the Securities and the Coupons. In connection with any proposed substitution as aforesaid and in connection with the exercise of its functions, the trustee shall have regard to the interests of the Holders as a class and the Trustee shall not have regard to the consequences of such substitution for individual Holders resulting from in particular their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or substitution), the Trustee shall have regard to the general interests of the Holders as a class and shall not have regard to any interests arising from circumstances particular to individual Holders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Holder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Holders except to the extent already provided for in Condition 11 and/or any undertaking given in addition thereto or in substitution therefore under the Trust Deed.

14. Replacement of the Securities

Should the Global Security, be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (or such other place of

which notice shall have been given in accordance with Condition 16) upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity and/or as the Issuer may reasonably require. The mutilated or defaced Global Security must be surrendered before any replacement Global Securities will be issued.

15. The Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking any action unless indemnified to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer, without accounting for any profit resulting therefrom.

16. Notices

Notices to Holders may be given by the delivery of the relevant notice to Euroclear Netherlands except for so long as the Securities are listed on the Official Segment of the Stock Market of Euronext Amsterdam and the rules of Euronext Amsterdam so require, notices shall also be published in the Euronext Amsterdam Daily Official List (*Officiële Prijscourant*) and a newspaper having general circulation in The Netherlands most likely to be *Het Financieele Dagblad*. Any such notice shall be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve. Any Notice delivered to Euroclear Netherlands shall be deemed to have been given to the Holders on the day on which such notice is so delivered.

17. Further Issues

The Issuer is at liberty from time to time without the consent of the Holders to create and issue further Securities ranking *pari passu* in all respects (or in all respects save for the date from which interest thereon accrues and the amount of the first payment of interest on such further Securities) and so that the same shall be consolidated and form a single series with the outstanding Securities. Any such Securities shall be constituted by a deed supplemental to the Trust Deed.

18. Agents

The Issuer will procure that there shall at all times be a Calculation Agent and a Principal Paying Agent so long as any Security is outstanding. If either the Calculation Agent or the Principal Paying Agent is unable or unwilling to act as such or if it fails to make a determination or calculation or otherwise fails to perform its duties under these Terms and Conditions or the Calculation Agency Agreement or the Agency Agreement, as appropriate, the Issuer shall appoint, on terms acceptable to the Trustee, an independent investment bank acceptable to the Trustee to act as such in its place. Neither the termination of the appointment of a Calculation Agent or the Principal Paying Agent nor the resignation of either will be effective without a successor having been appointed.

All calculations and determinations made by the Calculation Agent or the Principal Paying Agent in relation to the Securities shall (save in the case of manifest error) be final and binding on the Issuer, the Trustee, the Paying Agents and the Holders.

None of the Issuer, the Trustee and the Paying Agents shall have any responsibility to any person for any errors or omissions in any calculation by the Calculation Agent.

19. Governing Law and Jurisdiction

(a) The Trust Deed and the Securities, are governed by, and shall be construed in accordance with, the laws of the Netherlands.

(b) The Courts of the Netherlands are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed and the Securities, and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, and the Securities may be brought in such courts.

20. Definitions

In these Terms and Conditions:

'*Accrued Coupon Payment*' means, as at any time, where these Terms and Conditions provide that interest shall continue to accrue after a Coupon Payment Date in respect of a Security the amount of interest accrued thereon in accordance with Conditions 4(b), 5, 6(d) and 6(e);

'*Agency Agreement*' means the agency agreement dated 29 October 2004 between the Issuer, the Trustee and the Paying Agents relating to the Securities under which each Paying Agent agrees to perform the duties required of it under these Terms and Conditions;

'*Applicable Coupon Rate*' means in relation to any Payment deferred pursuant to Condition 4(b) or Condition 6(e), the Coupon Rate payable on the Securities as determined by the Calculation Agent in accordance with Condition 5(b) for the Coupon Periods during which such Payment is deferred;

'*Business Day*' means a day, other than a Saturday or Sunday, on which commercial banks and foreign exchange markets are open for general business in Amsterdam;

'*Calculation Agency Agreement*' means the calculation agency agreement dated 29 October 2004 between the Issuer, the Trustee and the Calculation Agent, relating to the Securities under which the Calculation Agent agrees to perform the duties required of it under these Terms and Conditions;

'*Calculation Agent*' means, as calculation agent in relation to the Securities, or its successor or successors for the time being appointed under the Calculation Agency Agreement;

'*Coupon Amount*' means (i) in respect of a Coupon Payment, the amount of interest payable on a Security for the relevant Coupon Period in accordance with Condition 5 and (ii) for the purposes of Conditions 7(c) and 7(d), any interest accrued from (and including) the preceding Coupon Payment Date (or, if none, the Issue Date) to (but excluding) the due date for redemption if not a Coupon Payment Date as provided for in Condition 5(b);

'*Coupon Payment*' means, in respect of a Coupon Payment Date, the aggregate Coupon Amounts for the Coupon Period ending on such Coupon Payment Date;

'*Coupon Payment Date*' means 29 April and 29 October each year, starting 29 April 2005;

'*Coupon Period*' means the period commencing on (and including) the Issue Date and ending on (but excluding) the first Coupon Payment Date and each successive period commencing on (and including) a Coupon Payment Date and ending on (but excluding) the next succeeding Coupon Payment Date;

'*Coupon Rate*' has the meaning ascribed to that term in Condition 5(a);

'*Deferred Coupon Payment*' means:

(i) any Payment, or part thereof, which has been deferred in accordance with Condition 4(a) (Mandatory Deferral of Payments) and has not subsequently been either (x) satisfied or (y) deferred in accordance with Condition 4(b) (Optional Deferral of Payments); or

(ii) any Payment, or part thereof, which, pursuant to Condition 4(b) the Issuer has elected to defer and which has not been satisfied;

'*Deferred Coupon Satisfaction Date*' means:

(i) with respect to a deferral under Condition 4(a)(i), the Coupon Payment Date following the 19th Business Day after the Mandatory Deferral Condition fails to be met or, if earlier, the date on which the Issuer has resolved to satisfy a Deferred Coupon Payment, as notified by the Issuer to the Trustee, the Holders, the Principal Paying Agent and the Calculation Agent in accordance with Condition 4(a)(ii); or

(ii) the date on which the Issuer has resolved to satisfy a Deferred Coupon Payment, as notified by the Issuer to the Trustee, the Holders, the Principal Paying Agent and the Calculation Agent in accordance with Condition 4(b); or

(iii) the date on which the Issuer is required to satisfy all Deferred Coupon Payments pursuant to Condition 4(c);

'*Holder*' means the bearer of any Security;

'*Holding*' means Van Lanschot N.V.;

'*Holding Ordinary Shares*' means ordinary shares of Holding or depository receipts issued in respect of such Holding Ordinary Shares as the context may require;

'*Interest*' shall, where appropriate, include Coupon Amounts, Deferred Coupon Payments and Accrued Coupon Payments;

'*Interest Determination Date*' means the third Business Day before the commencement of each Coupon Period;

'*Issue Date*' means 29 October 2004, being the date of initial issue of the Securities;

'*Issuer*' means F. van Lanschot Bankiers N.V.;

'*Junior Guarantee*' means any guarantee, indemnity or other contractual support arrangement entered into by the Issuer in respect of securities (regardless of name or designation) issued by a Subsidiary or Undertaking and ranking on a winding-up of the Issuer or in respect of distributions or payment of dividends or any other payment thereon equal to the Junior Securities;

'*Junior Securities*' means the Ordinary Shares or any other securities of the Issuer which rank as regards distributions on a return of assets on a winding-up of the Issuer or in respect of distributions or payment of dividends or any other payments thereon equal to the Ordinary Shares;

the '*Mandatory Deferral Condition*' will be met if, in the determination of the Issuer, on the Relevant Date, the Issuer is, or payment of the relevant Payment by the Issuer will result in the Issuer being subject to a Regulatory Event;

'*Mandatory Partial Payment*' payable on any Coupon Payment Date means a payment in respect of each Security in an amount that results in payment of a proportion of a full Coupon Payment on the Security on such Coupon Payment Date equal to the proportion of a full dividend on the relevant Parity Securities and/or payment on the relevant Parity Guarantee paid on the dividend or payment date in respect of the relevant Parity Securities and/or Parity Guarantee immediately preceding;

A '*Mandatory Payment Event*' shall occur if any of the following occurs:

(i) the Issuer declares, pays or distributes a dividend or makes a payment (other than a dividend in the form of Ordinary Shares) on any of its Junior Securities or makes any payment on a Junior Guarantee;

(ii) the Holding declares, pays or distributes a dividend or makes a payment (other than a dividend in the form of Holding Ordinary Shares) on any of its Holding Ordinary Shares;

(iii) any Subsidiary or Undertaking declares, pays or distributes a dividend on any security issued by it benefiting from a Junior Guarantee or makes a payment (other than a dividend in the form of Holding Ordinary Shares) on any security issued by it benefiting from a Junior Guarantee; or

(iv) the Issuer or any Subsidiary or Undertaking redeems, purchases on otherwise acquires any of the Issuer's Junior Securities, any Parity Securities or any securities issued by any Subsidiary or Undertaking benefiting from a Junior Guarantee or Parity Guarantee (other than (1) by conversion into or in exchange for

Ordinary Shares, (2) in connection with transactions effected by or for the account of customers of the Issuer or any Subsidiary or in connection with the distribution, trading or market making in respect of those securities, (3) in connection with the satisfaction by the Issuer, the Holding or any Subsidiary of its obligations under any employee benefit plans or similar arrangements with or for the benefit of employees, officers, directors or consultants, (4) as a result of a reclassification of the Issuer or any Subsidiary or the exchange or conversion of one class or series of capital stock for another class or series of capital stock, or (5) the purchase of fractional interests in shares of the capital stock of the Issuer or any Subsidiary pursuant to the conversion or exchange provisions of that capital stock or the security being converted or exchanged) for any consideration, or any moneys are paid to or made available for a sinking fund or for redemption of any of any Junior Securities, Parity Securities or any securities issued by any Subsidiary or Undertaking benefiting from a Junior Guarantee or Parity Guarantee;

(v) the Holding redeems, purchases or otherwise acquires any Holding Ordinary Shares (other than in connection with the hedging or satisfaction by the Holding of its obligations under any employee benefit plans or similar arrangements with or for the benefit of employees, directors or consultants);

A '*Mandatory Partial Payment Event*' shall occur if any of the following occurs:

(i) the Issuer declares, pays or distributes a dividend or makes a payment on any of its Parity Securities or makes any payment on a Parity Guarantee; or

(ii) any Subsidiary or Undertaking declares, pays or distributes a dividend on any security issued by it benefiting from a Parity Guarantee or makes a payment on any security issued by it benefiting from a Parity Guarantee;

'*Market Disruption Event*' means (i) the occurrence or existence of any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by Euronext Amsterdam or on settlement procedures for transactions in the Holding Ordinary Shares on Euronext Amsterdam if, in any such case, that suspension or limitation is, in the determination of the Calculation Agent, material in the context of the sale of the Holding Ordinary Shares, or (ii) in the opinion of the Issuer, there has been a substantial deterioration in the price and/or value of the Holding Ordinary Shares or circumstances are such as to prevent or to a material extent restrict the issue or delivery of the Payment Ordinary Shares, or (iii) where, pursuant to these Terms and Conditions, moneys are required to be converted from one currency into another currency in respect of any Payment, the occurrence of any event that makes it impracticable to effect such conversion;

'*Ordinary Shares*' means ordinary shares of the Issuer or depository receipts issued in respect of such Ordinary Shares as the context may require;

'*Outstanding Payment*' means:

(i) in relation to any Coupon Payment, Deferred Coupon Payment or Coupon Amount not falling within the definition of Coupon Payment, that such payment (a) has either become due and payable or would have become due and payable except for the non-satisfaction on the relevant date of the conditions referred to in Condition 2(b)(i) or the deferral, postponement or suspension of such payment in accordance with any of Conditions 4(a), 4(b), 6(d)or 6(e) and (b) in any such case has not been satisfied and:

(ii) in relation to any Accrued Coupon Payment, any amount thereof which has not been satisfied whether or not payment has become due;

'*Parity Securities*' means, in respect of the Issuer any securities of the Issuer which in respect of distributions on a return of assets on a winding-up (*faillissement of vereffening na ontbinding*) of the Issuer or in respect of distribution or payment of dividends and/or any other amounts thereunder by the Issuer rank *pari passu* with the Securities as regards such distributions or payments;

'*Parity Guarantee*' means any guarantee, indemnity or other contractual support arrangement entered into by the Issuer in respect of securities (regardless of name or designation) issued by a Subsidiary or an Undertaking which rank on a winding-up of the Issuer or in respect of distributions or payment of dividends or any other payments thereon *pari passu* with the Securities;

'*Paying Agents*' means the paying agents appointed pursuant to the Agency Agreement and such term shall, unless the context otherwise requires, include the Principal Paying Agent;

'*Payment*' means any Coupon Payment, Deferred Coupon Payment, Accrued Coupon Payment or Coupon Amount not falling within the definition of Coupon Payment;

'*Payment Ordinary Shares*' has the meaning ascribed to it in Condition 6(b);

'*Principal Paying Agent*' means the principal paying agent appointed pursuant to the Agency Agreement;

'*Regulatory Event*' means that the Issuer shall have been notified in writing by the Dutch Central Bank to the effect that at any Coupon Payment Date, the Issuer 's capital adequacy ratio would after payment of the Coupon Payment, be less than the minimum capital adequacy requirements as the applied and enforced by the Dutch Central Bank or any other appropriate regulator;

'*Relevant Date*' means (i) in respect of any payment other than a Winding-Up Claim, the date on which such payment first becomes due and payable but, if the full amount of the moneys payable on such date has not been received by the Principal Paying Agent or the Trustee on or prior to such date, the 'Relevant Date' means the date on which such moneys shall have been so received and notice to that effect shall have been given to the Holders in accordance with Condition 16, and (ii) in respect of a Winding-Up Claim, the date which is one day prior to the commencement of the winding-up;

'*Securities*' means the Euro 165,000,000 Perpetual Capital Securities, and such expression shall include, unless the context otherwise requires, any further Securities issued pursuant to Condition 17 and forming a single series with the Securities;

'*Senior Creditors*' means creditors of the Issuer (a) who are unsubordinated creditors of the Issuer, or (b) whose claims are, or are expressed to be, subordinated (whether only in the event of the winding-up of the Issuer or otherwise) to the claims of unsubordinated creditors of the Issuer but not further or otherwise, or (c) who are subordinated creditors of the Issuer other than those whose claims are, or are expressed to rank, *pari passu* with, or junior to, the claims of the Holders;

'*Subsidiary*' means a subsidiary of the Issuer within the meaning of Section 2:24a of the Dutch Civil Code;

'*Trust Deed*' means the trust deed dated 29 October 2004 between the Issuer and the Trustee;

'*Trustee*' means Amsterdamsch Trustee's Kantoor B.V.;

'*Undertaking*' means a body corporate, partnership, limited partnership, Cooperative or an incorporated association carrying on a trade or business with or without a view to profit in which the Issuer has a direct or indirect financial, commercial or contractual majority interest; and

'*Winding-Up Claim*' has the meaning ascribed to it in Condition 2(b)(ii).

21. Additional Obligations

If and so long as the Notes are listed on Euronext Amsterdam, the Issuer will comply with Article 2.1.20 of Schedule B of the Listing and Issuing Rules (Fondsenreglement) of Euronext Amsterdam.

F. VAN LANSCHOT BANKIERS N.V.

Overview
Our history dates back to 1737. In that year, Cornelis van Lanschot formed a merchant house and started trading in colonial merchandise in 's-Hertogenbosch. In the second half of the 18th century the merchant house began to grant loans to clients and collect and pay bills, which activities led the merchant house to become a banking house. Around 1830, under Franciscus van Lanschot, the collecting activity gained a more significant position and, independent from the goods trade, the banking firm came into being.

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

Since 1973, non-family shareholders have been invited to help finance growth in addition to family shareholders. In 1973 Delta Lloyd Verzekeringsgroep N.V. and the British National Westminster Bank Plc. became new shareholders. Rabobank Nederland followed in 1978 as a shareholder. The firm was transformed into a public limited liability company in 1978. Also in 1978, Van Lanschot's Beleggings-Compagnie B.V. became the holding company of the Van Lanschot Group (the "**Van Lanschot Group**"). In the early 1990s, National Westminster Bank Plc. acquired the shares from Rabobank Nederland, as a result of which it then owned approximately 80 per cent. of Van Lanschot N.V.'s share capital. The remaining shares were held by the Van Lanschot family, Delta Lloyd Verzekeringsgroep N.V. and the staff.

At the end of 1994, the majority interest of National Westminster Bank Plc. was placed with a number of large Dutch financial institutions. Due to the changes in the shareholding, we were able to position ourselves in the market more strongly as an independent bank. Since then, we have experienced strong growth. The number of private and corporate clients doubled in the period 1995-2003, which has resulted in a strong increase in the volume of credit and funds in custody. Assets under management also showed a strong growth in this period. Furthermore, our profitability has increased substantially.

Van Lanschot's Beleggings- Compagnie B.V., renamed Van Lanschot N.V. was listed on Euronext Amsterdam in 1999.

Organisational structure
Van Lanschot N.V. is the holding company of the Van Lanschot Group. It holds all the shares in F. van Lanschot Bankiers N.V. through which the main banking activities in The Netherlands are carried out. F. van Lanschot Bankiers N.V. in turn holds, directly or indirectly, the shares of the subsidiaries in The Netherlands and abroad.

The Van Lanschot Group is managed by a Board of Managing Directors, currently consisting of three members, under supervision of, at present, a seven-member Supervisory Board. As announced in our press release dated 5 October 2004, it is the intention to add Mr. Hanso Idzerda to the Board of Managing Directors as proposed by the Supervisory Board of Van Lanschot N.V. following the closing of the CenE acquisition. See also "Management". The second tier of management beneath the Board of Managing Directors is formed by 14 directors. Our foreign subsidiaries each have a board of directors appointed. As at 30 June 2004, the Van Lanschot Group had a total of approximately 1,700 (full-time-equivalent) employees, of which approximately 1,500 (full-time-equivalent) are employed in The Netherlands.

The shares of the Issuer are almost the only assets of Van Lanschot N.V. Therefore, the consolidated balance sheet of the Issuer differs only in immaterial details from Van Lanschot N.V.'s consolidated balance sheet. Van Lanschot N.V. has issued a written undertaking of joint and several liability under section 403, Book 2 of The Netherlands Civil Code. As a consequence thereof, the Issuer does not publish a balance sheet and profit &

loss account. The figures stated elsewhere in this Offering Circular, in the Summary Financial and Operating Information and in the Capitalisation of Holding refer to the annual report of Van Lanschot N.V. as per 31 December 2003 and the half-year accounts of Van Lanschot N.V. as per 30 June 2004.

Operating activities
F. van Lanschot Bankiers N.V. is the oldest independent bank in The Netherlands. It aims to provide high-quality and personal products and services to three target groups:

(i) mass affluent, high net worth and ultra high net worth individuals (i.e. private clients);

(ii) medium-sized management-owned (family) businesses; and

(iii) institutional investors.

In terms of total assets, we are the sixth-largest general bank in The Netherlands. We see The Netherlands and Belgium as our primary geographic markets. The Dutch branch network currently has 32 offices, from which we offer the complete range of banking and insurance services to our private clients and family business clients. In addition, specialised services are provided from our head office to companies and institutions, in particular treasury services, asset management, securities advice and corporate and investment banking. We have eight offices in Belgium, two offices in Switzerland, and one office in each of Luxembourg, Jersey and the Dutch Antilles. All of our offices offer private banking services to our private clients.

Private client banking market
In the private client banking market, we target private individuals who have a certain level of income and/or capital. We target private individuals with an income and/or capital available for investment of € 100,000 upwards. We offer a complete range of services and products, from cashier and counter services to asset management, securities advice, trust services, credits, insurance brokerage, investment banking and estate planning to approximately 50,000 clients in this target group. Integrated advice, personal attention and high-quality execution are our main focus when we provide our services. Our account managers play an important role, as he or she is the principal point of contact for the client and is responsible for the client relationship. With the help of personal finance planning he or she gives all-round advice, focused on the specific situation of the client and taking into account the client's financial and tax position, risk profile and demands.

We also give special attention to large family capital. For this, we have an independent consultancy division which assists these clients or groups of clients in the management of their assets.

The Netherlands
In The Netherlands, the number of clients has grown strongly in recent years. As at 30 June 2004, the aggregate amount of assets held in custody by the Van Lanschot Group for private clients amounted to € 10,5 billion, € 1,8 billion of which was under discretionary management. In addition to funds under discretionary management, an amount of more than € 1,6 billion was managed for private clients in investment funds as at 30 June 2004.

The extension of loans to Dutch individuals consists mainly of mortgage loans. As at 30 June 2004, our mortgage portfolio amounted to € 5,4 billion. This represents 62 per cent. of our total loan portfolio.

Belgium
We also provide a full range of products and services for the private banking market in Belgium. We have customised our services to the needs of the Belgian market. Our service in Belgium is based on an integrated advice concept, for which personal financial planning, adapted for Belgian purposes, is an important support tool. The funds (deposits and securities) entrusted by clients of Van Lanschot Belgium as at 30 June 2004 amounted to almost € 2 billion.

Luxembourg
F. van Lanschot Bankiers (Luxembourg) SA has been operating in Luxembourg since 1989. Our products and services in Luxembourg are focussed on asset management, securities advice and trust administration. The funds (deposits and securities) entrusted by clients to F. van Lanschot Bankiers (Luxembourg) SA as at 30 June 2004 amounted to approximately € 1 billion.

Switzerland
F. van Lanschot Bankiers (Schweiz) AG has been operating in Switzerland since 1995, with offices in Geneva and Zurich. Our products and services in Switzerland are focussed on asset management and securities advice. The funds (deposits and securities) entrusted to F. van Lanschot Bankiers (Schweiz) AG as at 30 June 2004 amounted to approximately € 400 million.

Dutch Antilles
We have operated in Curaçao since the 1970s. In recent years, our asset management services and securities advice have grown strongly there. The funds (deposits and securities) entrusted to us in Curaçao as at 30 June 2004 amounted to approximately € 450 million.

Corporate banking market
In the corporate banking market, we focus on the medium-sized management-owned (family) business market in The Netherlands, which, because of the overlap with the private banking market, is an obvious target group for us. Within this target group, we also focus on providing integrated advice. Clients are offered the complete range of banking products and services. Our corporate banking clients, as with our private banking clients, have their own account manager who is responsible for the client relationship.

In addition to the services provided to the corporate banking market, where our primary aim is to realise a ''total relationship'' with our clients, we render mostly specialist services to large companies, such as treasury and risk management, investment banking, insurance brokering and support in import and export transactions.

At as 30 June 2004, the aggregate amount of corporate loans made by us to our clients amounted to approximately € 2.6 billion. Our loan portfolio is spread over a large number of companies.

Institutional market
Our services to Dutch and international institutional investors concentrate on asset management, securities advice, investment banking, brokerage and custody. In addition to the complete range of banking services, we provide asset management with various sorts of mandates to medium-sized Dutch institutions. We offer securities investment advice and order execution to large Dutch and international institutions. We aim to ensure that our advice provided to institutional clients is based on thorough investment research. In order to further improve our services, we joined the European Securities Network in 1998 in order to benefit from the cooperation between members in the fields of research, sales and order execution. As at 30 June 2004, the aggregate amount of assets managed for institutions (excluding investment funds) amounted to € 1.9 billion, while the assets in custody amounted to € 2.7 billion.

Specialist services
Treasury
Our treasury division is active on behalf of our corporate, institutional and private clients in the domestic and international money, capital and currency markets. In addition to traditional products such as deposits, money market loans and currency transactions, we provide specialised services with regard to interest rates and currency derivatives in order to realise optimum interest rate and currency management. In addition to our business clients, we provide services to a number of multinationals and large institutional clients.

Investment banking
We advise companies and institutions and mediate in mergers and amongst others acquisitions, capital market transactions and management buy-ins and buy-outs. We are

also active in the provision of risk capital through shareholdings in companies. Our fund products include our own investment funds and funds which are established exclusively for us (but which are managed by an independent party).

Trust services
Through our various subsidiaries, we provide trust services for both corporate banking and private banking clients. Our Dutch trust activity focuses mainly on corporate trust services. In Luxembourg, Dutch Antilles and Jersey, trust services are mainly provided for private clients who wish to achieve an international spread of their capital and who have transferred their capital to companies, foundations or trusts.

Insurance brokerage
Van Lanschot Assurantiën B.V. provides integrated banking and insurance services for the corporate and private market. It is active as an independent insurance broker, both in the field of life insurance and health and accident insurance. The service is aimed at companies, institutions and private individuals. The amount of premiums generated as a result of the brokerage services of Van Lanschot Assurantiën B.V. is approximately € 120 million on an annual basis; Van Lanschot Assurantiën B.V.'s commission income amounts to more than € 18.5 million. As one of the larger Dutch independent insurance brokers, Van Lanschot Assurantiën B.V. is an important distribution channel for various insurance companies. Van Lanschot Assurantiën B.V. acts as authorised agent for a number of well known insurers. As a result of its independent position, we consider it is able to realise a highly competitive price/coverage ratio for its clients. Van Lanschot Assurantiën B.V. also advises on pension schemes on both a collective and an individual basis.

Market approach
We seek to offer integrated advice to our clients in the markets in which we operate. Whether for a private individual or a company, our approach is aimed at connecting the various financial issues and producing integrated advice.

We also seek to offer a personal approach to our clients. To enhance this approach we organise a large number of presentations and meetings for potential and existing corporate and private clients.

We have a decentralised distribution network with 32 offices in The Netherlands, 8 offices in Belgium and one office in each of Luxembourg, Switzerland, Jersey and the Dutch Antilles. Distribution of our products and services to both our private clients and corporate clients is mainly through our network of offices from which we offer the full range of services. We consider the account manager to be the most important contact and adviser in providing our services. We value short lines of communication and personal contact between client and adviser.

Together with considerably increased name awareness among Dutch private individuals, our position among the key decision-makers in the corporate sector has been strengthened. We are often asked by our clients to solve problems of ownership management and succession. In this respect, the investment banking department, as adviser/arranger of mergers and acquisitions or capital restructuring can offer solutions.

Our international network plays an important role in our position as a private bank. The growth of our international activities is based on the same concepts as we have traditionally used to service our Dutch clients: integrated and professional advice, a personal approach and relationship marketing.

Risk management
We value a low-risk profile. Our policy is aimed at continuous, careful monitoring and managing of the risks inherent to the banking business. Therefore, much time is spent within the organisation assessing and maintaining awareness of possible risks connected with our operating activities. Adequate control measures and reporting systems, including the use of appropriate limits and the monitoring of these limits with the help of reliable information systems, are also essential parts of risk management. Risk management is a continuing process in which the quality and the commitment of staff remain very important. We continually modify our risk management policy and systems to reflect changing market conditions.

Our credit acceptance policy is aimed at maintaining the quality of the credit portfolio. The authority to approve credits and credit continuations is, to a certain level and with observance of strict acceptance criteria, delegated to the branch-office directors, who are supported by regional credit officers. The authority to approve credits larger than € 3 million is held by the central credit committee, of which all Managing Directors are members. This committee also ensures that there is a balanced spread of credits. In monitoring the quality of the corporate loan portfolio, use is also made of a credit classification system, whereby the credits are classified in five risk categories, on the basis of a comparison of relevant financial information. Provision is always made for credits in the highest risk category; these are periodically tested for their adequacy. We believe that the credit portfolio has a relatively low-risk level, as it consists for 62 per cent. of mortgage loans and very few credits have been extended outside of Benelux.

Responsibility for asset and liability management is delegated to the asset and liability management committee, on which the members of the Board of Managing Directors all have seats. It draws up the guidelines for the management of interest rate, market and liquidity risks, and supervises their observance. This committee aims to limit risk by drawing up procedures and setting limits. In addition, this committee is responsible for the policies with regard to the balance sheet structure, the capital ratios and the funding, as well as their implementation. The subcommittee financial markets meet bi-weekly to discuss the developments in the financial markets and their possible influence on our pricing policy.

The management of the interest rate risk and the effect of fluctuations in the market rate, is done with the help of a number of methods, including gap analysis, duration analysis and scenario analysis. These methods combine to give an integrated insight into our interest rate risk. On the basis of this insight, control is exercised by adjustments in the fixed interest portfolio and by raising funds for which the interest rate has been fixed for a certain period of time. Derivatives such as interest rate swaps are used the manage interest risks.

Market risk relates to the uncertainty regarding the development of our own positions as a result of changes in the financial markets. In view of the targeted low-risk profile, positions for our own account are strictly limited by way of gross and net limits. Positions are mainly kept for the necessary market maintenance and services to clients. Use is made of the value-at-risk method. This method, by using a certain calculation of probabilities, estimates the potential losses on the trade positions (including derivatives positions) that could arise overnight in the case of unfavourable market fluctuations. The value-at-risk is calculated daily using historical information. A regular check is made as to whether the assumptions supporting the method can still be regarded as valid. In addition, use is also made of methods such as ‘‘stress-testing’’.

We try to limit operational risks, such as possible losses caused by breakdowns in the systems for information, transaction processing and settlement or the inadequate performance of procedures, as well as fraudulent and/or unauthorised transactions by employees or third parties by way of an internal control system, including a set of procedures and instructions. Back-up and diversion facilities have been created for important information systems and activities.

Van Lanschot set up a framework for managing operational risks in light of the future regulations under Basel II and to comply with the provisions of the Regulation on Organisation and Control issued by the Dutch Central Bank. As part of this framework, the Bank has formulated a strategy, formed a central operational risk management function, and selected systems and technology for managing these risks. A key method is the organisation of Risk Self Assessments, at which staff help to identify and quantify operational risks based on their practical experience. A loss database has also been set up to record any losses incurred as a result of operational risks. The Operational Risk Management Committee, whose members include the Board of Managing Directors, is responsible for developments in this area.

We aim to limit legal risks (which can arise, among other things, because clients or other counterparties may not honour their obligations to us) as much as possible by using standard agreements and the early use of legal advisers. We try to limit the risk of claims from clients by keeping the quality of our services at a high level through, *inter alia,* adequate training of our employees, and by having our products reviewed by legal and fiscal advisers.

In the field of compliance we have implemented various instructions, reflecting legislation and regulations aimed at protecting the integrity of the banking industry. This particularly concerns the Act on Reporting of Irregular Transactions (*Wet Melding Ongebruikelijke Transacties*), the Act on the Identification of Financial Services (*Wet Identificatie Legitimatie Financiële Dienstverlening*) and the Act on the Supervision on the Securities Trade (*Wet Toezicht Effectenverkeer*), as well as regulations of the Dutch Central Bank (*De Nederlandsche Bank*), the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*) and Euronext Amsterdam. These instructions also apply to foreign subsidiaries, where local legislation and regulations are also incorporated into our operational instructions.

The Supervisory Board views risk management and compliance as areas of vital importance. Its credit and risk committee and audit and compliance committee regularly discuss our risk management and compliance policies, and make recommendations regarding these matters.

Strategy
During the first half of the year 2004, we have performed an extensive strategic analysis of the private banking market in The Netherlands and Belgium. The scope of this analysis was wide-ranging and was designed to provide us with an overview of current market trends, our current market position and an identification of the strategic opportunities for our future development.

Trends in banking
Our strategic analysis identified the following market developments and competition aspects:

- As a result of the ageing population, we expect that the number of individuals in the mass affluent segment to grow over the next few years in the geographic markets in which we operate. The private banking market can be divided into four separate segments:

    (i) retail (which includes individuals with income and/or freely investment assets up to € 100,000);

(ii) mass affluent individuals (individuals with income and/or freely investable assets between € 100,000 and € 1 million);

(iii) high net worth individuals (individuals with income and/or freely investable assets between € 1 million and € 5 million); and

(iv) ultra high net worth individuals (individuals with income and/or freely investable assets exceeding € 5 million).

- The mass affluent segment has grown by 83 per cent. during the period 1995 to 2000 and now comprises 25 to 30 per cent. of the total private banking market in The Netherlands according to our strategic analysis. We believe that the ageing population presents commercial opportunities, for example in estate planning and investment advice.

  We are the largest independent bank in The Netherlands specialised in servicing the mass affluent segment of the market. We believe competition in the private banking market has become fiercer, mortgage margins are now less attractive and credit funds are more expensive. As the retail segment is already saturated, more banks have specialised departments/divisions focussing on the mass affluent segment.

- In the medium-sized management-owned (family) business market, the demand for both consistent service levels and a stable long-term relationship through the use of a long-term account manager has increased. In addition, there is greater demand for comprehensive guidance and advice on more complex products. Our organisation is structured to meet these requirements.

- In the medium-sized institutional investor market there has been a trend of the number of brokers decreasing, although this trend seems to be stabilising. In this market, the current trend is also that charges for services packages are being "unbundled". In the asset management market, the trends are similar to those in the institutional investor market. More investors are outsourcing their asset management and administrative activities. There is an increased demand for information and for alternative and more complex products.

Business strategy
Our current business strategy is as follows:

Target groups
Van Lanschot continues to focus on providing financial services in our primary geographic markets of The Netherlands and Belgium. In addition, our international private banking activities provide services to clients abroad. The following three target groups will remain the focus of our business strategy:

(i) mass affluent, high net worth and ultra high net worth individuals (i.e. private clients);

(ii) medium-sized management-owned (family) businesses and their managing directors/ majority shareholders; and

(iii) institutional investors.

Our expertise is not restricted to private client banking only. We consider that our origins as a family business and our long experience in business banking enables us to offer added value to medium-sized management-owned (family) businesses. For managing directors/ majority shareholders, we believe that the combination of private client and business banking is relevant as both areas are interconnected. Furthermore, we continue to offer institutional clients a wide range of services and products in the areas of securities advice and brokerage, asset management, custody and treasury services. This expertise is increasingly relevant to our other target groups distinctive services and products. We aim to improve our position in the asset management market.

Increase our products and services
As competition in the banking market has become fiercer, mortgage margins are less attractive, credit funds are more expensive and clients have higher expectations. We will

continue our efforts to increase the number of products and services provided per client, combined with tailor-made products that are attractively priced. These efforts will focus on the mass affluent, high net worth and ultra high net worth individuals and medium-sized (family) business segments of the market.

Quality and personal approach
We are a client-oriented bank with a network of 45 offices (32 of which are in The Netherlands and 8 in Belgium), and we attach great importance to providing our clients with a high-quality service-offering. The distinct personal attention, which is characteristic of our services, will remain an organisational priority and in our view distinguishes us from our competitors.

Independence
We consider our independence to be a crucial factor in our success and the resulting company culture and identity is what sets ourselves apart in the market. Client research indicates this aspect has been a decisive factor in their selection of bank.

Increase scale of operations
As a result of our stringent cost controls we are well-positioned to focus on growth over the next few years. Increasing the scale of operations is important with rising costs relating to new ICT investments, the introduction of IFRS and Basel II, as well as the investment in marketing and product development.

Growth
We aim to increase our number of clients through organic growth supported by selective acquisitions. We believe that the CenE acquisition fits in very well with this strategy. Short-term focus will be on the integration of CenE Bankiers, which we expect to complete within two years. Our acquisition strategy focuses on the Dutch and Belgian markets. It is our intention that any acquisitions must supplement our core activities and any potential target must be active in similar market segments to us. Similarities in culture and target group policy are of critical importance to us. We intend only to acquire targets that can be integrated into our organisation within a relatively short period of time. Acquisitions should also be in line with our view of the Van Lanschot Group's optimal size, so as to safeguard our goal of high quality service-offering and a personal approach.

Staffing
We aim to be a compact, flexible, modern and decisive organisation, enabling us to benefit from changing circumstances and market opportunities. We believe that such an organisation will be a challenging environment to a certain type of service-oriented professional. Our organisation offers the incentives to attract and retain qualified professionals.

Strategy in other countries
We consider The Netherlands and Belgium to be our home markets. In Belgium we focus on private client banking. With our presence in Switzerland, Luxembourg, Jersey and Dutch Antilles, we are able to meet the needs of our Dutch and Belgian clients who have relocated to places such as Southern Europe and the Caribbean.

Recent Developments
On 20 July 2004 F. van Lanschot Bankiers N.V. announced that it expected to reach agreement with ING Group on the intended acquisition of all shares in CenE Bankiers. On 30 September 2004 F.van Lanschot Bankiers N.V. closed the acquisition of all shares in CenE Bankiers. CenE Bankiers will be consolidated as from October 1 2004.

In the beginning of November 2004 Van Lanschot is expected to pursue a planned issue of Ordinary Shares. The net proceeds of this share issue will be used to repay short term debt on the money market in relation to the CenE Bankiers acquisition.

The acquisition price amounts to approximately € 250 million, including about € 82 million in goodwill. The exact acquisition price will be determined on the basis of CenE Bankiers' balance sheet at the date the shares are transferred and may be influenced by adjustments, such as requirements related to the implementation of IFRS (International Financial Reporting Standards) as per 1 January 2005. Furthermore, the pension obligations

of the CenE Bankiers employees have been transferred to F. van Lanschot Bankiers N.V. (fully funded and compliant with IFRS).

CenE Bankiers, ING Bank N.V. and F. van Lanschot Bankiers N.V. have entered into a transitional services agreement and service level agreements with respect to securities, credits, payments, human resource management (including salary administration), infrastructure, cash management services, treasury, controller services as well as various other arrangements.

Outlook

The European economy is currently showing a modest recovery, with The Netherlands lagging behind. On that basis, Van Lanschot only expects a limited increase in activities by private investors in the second half of the year and a modest increase in the number of mortgages. Further growth of the number of target group clients, which is expected to be in line with the developments in the first six months, will affect profit positively.

Excluding the effects of the acquisition of CenE Bankiers, Van Lanschot N.V. reiterates its outlook of at least 10 per cent. increase in earnings per ordinary share of Holding over 2004, as announced in our press release of 20 August 2004 with regard to the 1st half-year results of 2004. The acquisition and integration costs are budgeted at a maximum of € 23 million. CenE Bankiers will be consolidated as from 1 October 2004. We expect the acquisition to be enhancing earnings per ordinary share in 2005. CenE Bankiers will add approximately 16,000 new clients to our client base.

MANAGEMENT

We have a Board of Managing Directors and a Supervisory Board. The Board of Managing Directors is responsible for our management and for the policy making and central management as the parent company of the Van Lanschot Group under the supervision of the Supervisory Board.

The Supervisory Board supervises the policy of the Board of Management as well as the general course of our affairs and business. The Board of Management is required to keep the Supervisory Board informed, to consult with the Supervisory Board on important matters and to submit certain important decisions to the Supervisory Board for its prior approval. The Board of Managing Directors will inform the Supervisory Board at least once a year of the main aspects of the strategic policy, the general and financial risks and management and auditing systems in writing. In performing its duties, the Supervisory Board is required to act in our interests and that of our business, as opposed to the sole interests of our shareholders. The members of the Supervisory Board are save in certain circumstances not authorised to represent us.

The authority to represent the Issuer is vested in the Board of Managing Directors. Two members of the Board of Managing Directors acting jointly are also empowered to represent the Issuer.

Board of Managing Directors

F.G.H. Deckers *Chairman*
Mr Deckers studied at the universities of Delft and Rotterdam. He started his career with ABN AMRO Bank in 1981 where he held positions in Paris, Dublin and Milan. Between 1994 and 2000 he has been the CEO of ABN AMRO in Latin America and in Asia. From 2001 to 2003 he held the position of CEO of the business unit The Netherlands of ABN AMRO Bank where he was responsible for the reorganisation of the Dutch retail net and the repositioning of ABN AMRO Bank. He is a member of the Supervisory Board of IBM Nederland N.V. and of the management board of the Dutch Association of Banks.

C.N. van der Spek
Mr Van der Spek studied at the universities of Leiden and Oxford. He started his career in 1977 at AMRO Bank, where he held positions in New York, Tokyo and London. From 1994 to 1996 he held the position of Group Director of Global Relationship Management. At the end of 1996 Mr Van der Spek joined the Board of Managing Directors of F. van Lanschot Bankiers. He is a member of the board of supervisory directors of Interpay Nederland B.V.

P.R. Zwart
Mr Zwart studied at the University of Leiden after which he joined AMRO Bank in 1978. In 1985 he joined F. van Lanschot Bankiers where he worked mainly within the branch network of the bank. In 1990 he was appointed as Director Domestic Branches, after which he was appointed as a member of the Board of Managing Directors in 1998. He is a member of the supervisory board of Handelsonderneming Rob Reiswein B.V.

H.H. Schotanus à Steringa Idzerda (subject to and effective as from approval of DNB)
Mr Idzerda studied at the University of Leiden, Insead AMP and Wharton AMP. He worked from 1972 to 1990 at ABN AMRO, where he was a member of the Corporate Banking management team. In 1991 he joined the ING Group as Managing Director of Corporate Clients. Mr Idzerda was Board member of ING Bank International (Global Head of Risk and Member of the Management Team of ING Barings) from 1994 to 1998. Until 2000 he was director of Securities of ING Investment Management. In 2001 Mr Idzerda was appointed CEO of CenE Bankiers in Utrecht and in 2003 CEO of ING Private Banking.

Supervisory Board
As at the date of this Offering Circular, the Supervisory Board consists of the following seven members:

H. Langman (1931) *Chairman*
Nationality: Dutch
Appointed 1 June 1995. Former member of the Board of Management of Algemene Bank Nederland N.V. Former Minister of Economic Affairs. Seats on other supervisory boards: Hal Holding N.V.

W. E. de Vin (1935)
Nationality: Dutch
Appointed 12 September 1991. Former civil law notary at De Brauw Blackstone Westbroek N.V. Other positions: chairman of the board of management of Stichting Continuiteit KBW, vice-chairman of the board of management of Stichting Vopak, chairman of the board of management of Stichting Univar, vice-chairman of the board of management of Stichting Ahold Continuiteit, chairman of the board of management of Stichting Continuiteit ICT. Seat on other supervisory boards: Box Consultants B.V.

B. de Vries (1938)
Nationality: Dutch
Appointed 1 May 1995. Former Minister of Social Affairs and Employment. Former chairman of the board of management of ABP. Seats on other supervisory boards: Imtech N.V., Eneco N.V., Quest International Nederland B.V., United Services Group N.V.

H. J. Bierma (1939)
Nationality: Dutch
Appointed 1 June 1995. Farmer. Other positions: member of the board of management of Achmea. Seats on other supervisory boards: Chairman of the supervisory board of Friesland Bank N.V.

M. W. Dekker (1938)
Nationality: Dutch
Appointed 1 June 1995. Former president of NPM Capital N.V. Seats on other supervisory boards: Koninklijke Boskalis Westerminster N.V., IHC Holland N.V., Fugro N.V., Fine Ace B.V., Arklow Shipping Ltd., Dutch Flower Group B.V., JSI International B.V., Solvus Resource Group N.V., N.V. Algemeen Nederlands Trustkantoor ANT, Belron SA Luxembourg, Van Wijnen Holding N.V. Seats on other boards: Stichting Continuiteit ICT.

T. J. Peeters (1937)
Nationality: Belgian
Appointed 1 June 1995. Vice-chairman of the Supreme Council of Finance, honorary member of the board of management of KBC Bankverzekeringsholding, honorary member of Fidea. Seats on other supervisory boards: Brantano N.V., De Eik N.V., Egemin N.V., Heijmans N.V., Lannoo Uitgeverij N.V., Oleon N.V. and Partena.

C. W. de Monchy (1950)
Nationality: Dutch
Appointed 10 December 1998. Solicitor and civil-law notary at De Brauw Blackstone Westbroek N.V., where he was a former member of their board of management. Other positions: several management positions in Rotterdam.

SUMMARY FINANCIAL AND OPERATING INFORMATION

The following summary financial and operating information of Holding should be read in conjunction with Holding's financial statements for the relevant years.

	Year ended 31 December	
	2003	**2002**
	(€ millions)	
RESULTS		
Income	378.3	377.9
Operating expenses	217.3	227.6
Value adjustments to receivables	15.1	15.2
Operating profit before taxation	145.9	135.1
Operating profit after taxation	106.7	97.6
Net profit (group profit)	106.7	97.6
BALANCE SHEET		
Group equity (shareholders' funds)	692.6	634.8
Group capital base	1,080.9	1,030.8
Funds entrusted	7,906.2	8,047.9
Loans and advances	9,037.6	8,696.6
Total assets	11,578.4	11,288.9
KEY FIGURES		
Efficiency ratio (%)	57.4	60.2
Return on average shareholders' funds (%)	16.1	15.7
BIS total capital ratio (%)	12.6	12.7
BIS Tier I ratio (%)	8.7	8.4
Number of employees in FTEs (at year-end)	1,724	1,815

CAPITALISATION OF HOLDING

	As at 30 June 2004 (unaudited)	As at 31 December 2003 (audited)	As at 30 June 2003 (unaudited)
		(€ millions)	
Ordinary shares (1)	28.97	28.97	28.97
Preferred shares (1)	5.00	5.00	5.00
Share premium reserve	40.20	40.20	40.20
Other reserves	564.58	511.72	513.16
Unappropriated profit	60.54	106.66	53.26
Shareholders' equity	699.29	692.56	640.59
Fund for general Banking risks	48.11	48.11	48.11
Subordinated bonds and loans	335.34	340.26	338.87
Group capital base	1,082.74	1,080.93	1,027.57

Notes:

(1) Holding's authorised share capital amounts to € 135 million, consisting of 27 million Ordinary Shares A, 46 million Ordinary Shares B, 5 million Preferred shares A, 12 million Preferred Shares B and 45 million Preferred Shares C, each with a nominal value of € 1. As at 30 June 2004, the issued and paid up share capital comprised 9,708,695 Ordinary Shares A, 19,263,314 Ordinary Shares B and 5,000,000 Preferred Shares A.

AUDITOR'S REPORT

Auditors' report to the consolidated financial data of Van Lanschot N.V.
In our opinion, the consolidated financial data for the years ended 31 December 2003 and 2002, as included in this Offering Circular on page 38, are consistent, in all material respects, with the consolidated financial statements of Van Lanschot N.V. from which they have been derived. We issued unqualified auditors' reports on these consolidated financial statements on 18 March 2004 and 13 March 2003, respectively. These auditors' reports are included in the consolidated financial statements for the years referred to, which form an integral part of this Offering Circular.

Eindhoven, 26 October 2004

Ernst & Young Accountants

NETHERLANDS TAXATION

General
The following summary describes the principal Netherlands tax consequences of the acquisition, holding, redemption and disposal of the Securities. This summary does not purport to be a comprehensive description of all Netherlands tax considerations that may be relevant to a decision to acquire, to hold, and to dispose of the Securities. Each prospective holder of Securities should consult a professional adviser with respect to the tax consequences of an investment in the Securities. The discussion of certain Netherlands taxes set forth below is included for general information purposes only.

This summary is based on the Netherlands tax legislation, published case law, treaties, rules, regulations and similar documentation, in force as of the date of the Offering Circular, without prejudice to any amendments introduced at a later date and implemented with retroactive effect.

This summary does not address the Netherlands tax consequences of a holder of Securities who holds a substantial interest (aanmerkelijk belang) in the Issuer, within the meaning of Section 4.3 of the Income Tax Act 2001. Generally speaking, a holder of Securities holds a substantial interest in the Issuer, if such holder of Securities, alone or together with his or her partner (statutory defined term) or certain other related persons, directly or indirectly, holds (i) an interest of 5 percent or more of the total issued capital of the Issuer or of 5 percent 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.

Withholding Tax
No Netherlands withholding tax is due upon payments on the Securities.

Corporate Income Tax and Individual Income Tax
Residents of the Netherlands
If the holder of Securities is subject to Netherlands corporate income tax and the Securities are attributable to its (deemed) business assets, income derived from the Securities and gains realised upon the redemption and disposal of the Securities are generally taxable in the Netherlands.

If the holder of Securities is an individual, resident or deemed to be resident of the Netherlands for Netherlands tax purposes (including the individual holder of Securities who has opted to be taxed as a resident of the Netherlands), the income derived from the Securities and the gains realised upon the redemption and disposal of the Securities are taxable at the progressive rates of the Income Tax Act 2001, if:

(i) the holder of Securities has an enterprise or an interest in an enterprise, whether as an entrepreneur or pursuant to a co-entitlement to the net worth of such enterprise, to which enterprise the Securities are attributable; or

(ii) such income or gains qualify as ''income from miscellaneous activities'' (*resultaat uit overige werkzaamheden*) within the meaning of Section 3.4 of the Income Tax Act 2001, which include the performance of activities with respect to the Securities that exceed ''regular, active portfolio management'' (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) applies to the individual holder of Securities, the actual income derived from the Securities and the actual gains realised with respect to the Securities will not be taxable. Instead, such holder of Securities will be taxed at a flat rate of 30% on deemed income from ''savings and investments'' (*sparen en beleggen*) within the meaning of Section 5.1 of the Income Tax Act 2001. This deemed income amounts to 4% of the average of the individual's ''yield basis'' (*rendementsgrondslag*) within the meaning of article 5.3 of the Income Tax Act 2001 at the beginning of the calendar year and the individual's yield basis at the end of the calendar year, insofar the average exceeds a certain threshold. The fair market value of the Securities will be included in the individual's yield basis.

Non-residents of the Netherlands
A holder of Securities that is neither a resident nor deemed to be a resident of the

Netherlands for Netherlands tax purposes (nor, if he or she is an individual, has opted to be taxed as a resident of the Netherlands) is not taxable in respect of income derived from the Securities and gains realised upon the redemption and disposal of the Securities, unless:

(i) the holder of Securities 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 Netherlands permanent establishment or permanent representative the Securities are attributable, or

(ii) the holder of Securities is an individual and such income or gains qualify as "income from miscellaneous activities" (*resultaat uit overige werkzaamheden*) in the Netherlands within the meaning of Section 3.4 of the Income Tax Act 2001, which include the performance of activities in the Netherlands with respect to the Securities that exceed "regular, active portfolio management" (*normaal, actief vermogensbeheer*).

Gift and Inheritance Taxes

Residents of the Netherlands

Generally, gift and inheritance taxes will be due in the Netherlands in respect of the acquisition of the Securities by way of a gift by, or on the death of, a holder of Securities who is a resident or deemed to be a resident of the Netherlands for the purposes of Netherlands gift and inheritance tax at the time of the gift or his or her death.

An individual of the Netherlands nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands gift and inheritance tax, if he or she has been resident in the Netherlands during the ten years preceding the gift or his or her death. An individual of any other nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands gift and inheritance tax only if he or she has been residing in the Netherlands at any time during the twelve months preceding the time of the gift.

Non-residents of the Netherlands

No gift or inheritance taxes will arise in the Netherlands in respect of the acquisition of the Securities by way of gift by, or as a result of the death of, a holder of Securities who is neither a resident nor deemed to be a resident of the Netherlands for the purposes of the Netherlands gift and inheritance tax, unless:

(i) such holder of Securities at the time of the gift has or at the time of his of her death had an enterprise or an interest in an enterprise that is or was, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which Netherlands enterprise permanent establishment or permanent representative or part thereof, as the case may be, the Securities are or were attributable; or

(ii) in the case of a gift of the Securities by an individual who at the date of the gift was neither a resident nor deemed to be a resident of the Netherlands, such individual dies within 180 days after the date of the gift, while at the time of his or her death, being a resident or deemed to be a resident of the Netherlands.

Treaties

Treaties may limit the Netherlands sovereignty to levy gift and inheritance tax.

Other Taxes and Duties

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

EU Savings Directive

On 3rd June, 2003, the European Council of Economics and Finance Ministers adopted a Directive on the taxation of savings income. Under the Directive Member States will (if equivalent measures have been introduced by certain non-EU countries) be required, from 1st July, 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual

resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria will instead be required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries).

SUBSCRIPTION AND SALE

Under a subscription agreement entered into by the Issuer on 26 October 2004 (the ''Subscription Agreement''), both Coöperatieve Centrale Raiffeissen Boerenleenbank B.A. and F. van Lanschot Bankiers N.V. (together the 'Managers') have agreed to subscribe for the Securities at the issue price of 100 per cent. The Issuer has agreed to pay to the Managers a combined management, underwriting and selling commission of 2 per cent. The Subscription Agreement is subject to termination in certain circumstances prior to payment to the Issuer.

United States
The Securities have not been and will not be registered under the US Securities Act of 1933, as amended (the 'Securities Act') and may not be offered or sold within the United States or to, or for the account or benefit of, US persons except in certain transactions exempt from or not subject to the registration requirements of the Securities Act.

Each Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver Securities (i) as part of their distribution at any time, and (ii) otherwise until 40 days after the completion of the distribution of the Securities within the United States or to, or for the account or benefit of, US persons, and that it will have sent to each dealer to which it sells Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of US persons. The terms used in the preceding paragraph and in this paragraph have the meaning assigned to them by Regulation S under the Securities Act.

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

In addition, until 40 days after the completion of the distribution of all Securities, an offer or sale of Securities within the United States by any Manager (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom
Each Manager has represented and agreed that:

(i) it has not offered or sold and, prior to the expiry of the period of six months from the date of issue of the Securities, will not offer or sell any Securities to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses 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 (as amended);

(ii) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (''FSMA'') with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom; and

(iii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue of any Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer.

Belgium
This Offering Circular and related documents are not intended to constitute a public offer in Belgium and may not be distributed to the Belgian public. The Belgian Commission for Banking, Finance and Insurance has not reviewed nor approved this (these) document(s) or commented as to its (their) accuracy or adequacy or recommended or endorsed the purchase of Securities.

Each Manager has represented and agreed that it will not:

- offer for sale, sell or market in Belgium such Securities by means of a public offer within the meaning of the law of 22nd April, 2003 on the public offer of securities; or

- sell Securities to any person qualifying as a consumer within the meaning of Article 1.7° of the Belgian law of 14th July, 1991 on consumer protection and trade practices unless such sale is made in compliance with this law and its implementing regulation.

General
Each Manager has agreed 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 the Securities or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the Securities under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales and neither the Issuer nor any other Manager shall have any responsibility therefore.

Neither the Issuer nor any of the Managers represents that the Securities 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.

GENERAL INFORMATION

Authorisation

1. The issue of the Securities was duly authorised by a resolution of the Board of Managing Directors of the Issuer dated 22 September 2004.

Listing

2. Application has been made to list the Securities on the Official Segment of the Stock Market of Euronext Amsterdam.

Clearing Systems

3. The Securities have been accepted for clearance through Euroclear Netherlands. The ISIN Code for this issue is NL0000116374, the Amsterdam Securities Code (*fondscode*) is 11637 and the Common Code is 020329220.

No material adverse change

4. There has been no material adverse change in the financial position of the Issuer other than set out in this Offering Circular since 30 June 2004.

Auditors

5. Ernst & Young, independent auditors, have audited, and rendered unqualified audit reports on Holding's financial statements for each of the financial years ended 31 December 2002 and 2003.

   Ernst & Young have given, and have not withdrawn, their written consent to the inclusion of their report and the references to themselves herein in the form and context in which they are included.

Use of Proceeds

6. The net proceeds of the issue of the Securities, amounting to approximately € 161,700,000 will be applied by the Issuer for its general corporate purposes.

Documents available

7. Copies of the following documents will be available free of charge, from the registered office of the Issuer and from the specified office of the Paying Agent for the time being as long as any of the Securities remains outstanding:

   (a) the English translation of the Articles of Association (*statuten*) of the Issuer;

   (b) the audited financial statements of the Issuer (in English) in respect of the years ended 31st December, 2001, 2002 and 2003;

   (c) copies of the Trust Deed, the Agency Agreement and the Calculation Agency Agreement.

Website

8. Up to date (investment) information and press releases are freely available for download from the Issuer's website: www.vanlanschot.com.

Litigation

9. Neither the Issuer nor any of its subsidiaries are involved in any litigation or arbitration proceedings which have had during the twelve months preceding the date of this Offering Circular, or which to the best of its knowledge may have, a material effect on its financial position nor is the Issuer aware that any such proceedings are pending or threatened.

REGISTERED AND PRINCIPAL OFFICE OF THE ISSUER

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The Netherlands

REGISTERED AND PRINCIPAL OFFICE OF HOLDING

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(Rabobank International)
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3521 CB Utrecht
The Netherlands

PAYING AGENT

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Amstelplein 1
1096 HA Amsterdam
The Netherlands

AMSTERDAM LISTING AGENT

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