



# N.V. Bank Nederlandse Gemeenten

(Incorporated in The Netherlands with limited liability and having its statutory domicile in The Hague)

## Euro 80,000,000,000 Debt issuance programme

N.V. Bank Nederlandse Gemeenten (the “**Issuer**” or “**BNG**”) may from time to time offer bearer debt instruments (the “**Notes**”) pursuant to a programme of issuance established on 7 December 1993 (as amended) (the “**Programme**”). The sum of the aggregate principal amount of Notes outstanding at any time under the Programme will not exceed Euro 80,000,000,000 (or its equivalent in other currencies). The Programme amount may be increased from time to time subject to the preparation of a supplemental Base Prospectus which shall be subject to the prior approval of The Netherlands Authority for the Financial Markets (‘*Stichting Autoriteit Financiële Markten*’, the “**AFM**”).

The Programme has been rated AAA by Standard & Poor’s Ratings Services, a division of the McGraw-Hill Companies Inc., AAA by Fitch Ratings Limited and Aaa by Moody’s Investors Service Limited. Tranches of Notes issued under the Programme may be rated or unrated. Where a tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

In respect of each Series (as defined below), unless otherwise specified in the Final Terms, the Issuer will deposit each global note which is not intended to be issued in a new global note (“**NGN**”) form (a “**Classic Global Note**” or “**CGN**”), as specified in the relevant final terms, with a depository or a common depository for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking société anonyme, Luxembourg (“**Clearstream, Luxembourg**”) and/or any other relevant clearing system and each global note which is intended to be issued in NGN form, as specified in the relevant final terms, with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

This Base Prospectus has been approved by the AFM, which is The Netherlands competent authority for the purpose of Directive 2003/71/EC (the “**Prospectus Directive**”) and relevant implementing measures in The Netherlands, as a base prospectus issued in compliance with the Prospectus Directive, Commission Regulation EC No. 809/2004 (the “**Prospectus Regulation**”) and relevant implementing measures in The Netherlands for the purpose of giving information with regard to the issue of Notes under the Programme during the period of twelve months after the date hereof. Application may be made for Notes issued under the Programme to be listed on Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext Amsterdam N.V. (“**Euronext Amsterdam**”).

The AFM has been requested by the Issuer to provide the Luxembourg *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive and the Prospectus Regulation so that the Notes issued under the Programme may be listed on the regulated market of the Luxembourg Stock Exchange. Application may be made for Notes issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange.

The AFM may be further requested by the Issuer to provide other competent authorities in the European Economic Area with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive and the Prospectus Regulation so that application may be made for Notes issued under the Programme to be admitted to trading on other regulated markets. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further listing authorities, stock exchanges (including the SIX Swiss Exchange) and/or quotation systems as may be agreed with the Issuer.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States, or to or for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes will be issued in bearer form only and are subject to United States tax law requirements.

This Base Prospectus must be read and construed together with any amendments or supplements hereto and with any documents incorporated by reference herein (which can be found on the website of the Issuer, <http://www.bng.com>), and in relation to any Tranche (as defined herein) of Notes, this Base Prospectus should be read and construed together with the relevant Final Terms.

Arranger

**UBS Investment Bank**

Principal Dealers

**Bank Nederlandse Gemeenten**  
**BNP PARIBAS**  
**BofA Merrill Lynch**  
**Commerzbank Corporates & Markets**  
**Deutsche Bank**  
**ING Wholesale Banking**  
**Nomura International**  
**RBC Capital Markets**  
**TD Securities**

**Barclays Capital**  
**Citi**  
**Credit Suisse**  
**Goldman Sachs International**  
**J.P. Morgan**  
**Mizuho International plc**  
**Rabobank International**  
**The Royal Bank of Scotland**  
**UBS Investment Bank**

The date of this Base Prospectus is 29 July 2009 and it replaces the Base Prospectus dated 24 July 2008.

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# Summary of the Base Prospectus

*This summary must be read as an introduction to this Base Prospectus and any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole, including any amendment and supplement thereto and the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each relevant Member State of the European Economic Area, civil liability attaches to the Issuer, being the person who has tabled the summary, and applied for its notification, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus. Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the relevant Member States, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.*

## **The Issuer**

N.V. Bank Nederlandse Gemeenten was incorporated as a *naamloze vennootschap* (a public company with limited liability) under the laws of the Netherlands on 23 December 1914. The Issuer is authorised by the Dutch Central Bank ('*De Nederlandsche Bank N.V.*' or "**DNB**") to pursue the business of a bank in The Netherlands and is consequently supervised by the Dutch Central Bank. In addition the Issuer is supervised by The Netherlands Authority for the Financial Markets ('*Stichting Autoriteit Financiële Markten*') for the purpose of market conduct supervision.

### *Shareholders of the Issuer*

Half of the Issuer's share capital is held by the State of The Netherlands. The other half is mainly held by municipalities ('*gemeenten*') and furthermore by eleven of the total of twelve provinces ('*provincies*') as well as one water board ('*waterschap*'), all located in The Netherlands. Only the State of The Netherlands, provinces, municipalities, water boards and other public bodies may be shareholders of the Issuer.

### *Business overview*

The Issuer is a specialised bank for local, regional and functional authorities and government affiliated organisations that are involved in public utilities, public housing, public health, welfare, culture, education and recreation. The main business activities of the Issuer include the granting of credit to its statutory counterparties, transfer of payments and the processing of flows between the central government and public entities.

### *The executive board*

The executive board of the Issuer consists of the president C. van Eykelenburg and the members J.J.A. Leenaars and J.C. Reichardt. The supervisory board of the Issuer currently consists of ten members, who are listed in the section "**N.V. Bank Nederlandse Gemeenten**".

### *Funding of the Issuer*

The Issuer's need for funding generally varies between EUR 11 to 13 billion equivalent per annum. For raising funds on the international capital markets the Issuer established this Programme of EUR 80 billion and in addition several other funding programmes. The Issuer can raise funds under the above mentioned programmes as well as on a stand-alone basis. The notes issued under these programmes are mainly issued in Euros, US Dollars, Swiss Francs, Canadian Dollars and British Pounds.

### *Financial information relating to the Issuer*

The Issuer's balance sheet and profit and loss account both as of 31 December 2008 are disclosed in this Base Prospectus. The financial information included herein is compared with the financial information included in the balance sheet and profit and loss account both as of 31 December 2007. The financial statements of the Issuer disclosed in this Base Prospectus have been audited for the two financial years preceding the date of this Base Prospectus by Ernst & Young Accountants. The Issuer's capitalisation amounts to EUR 87,745,000,000 as per 31 December 2008. The indebtedness of the Issuer as per 31 December 2008 amounts to EUR 89,051,000,000.

**Selected Financial Data 2008-2004<sup>1</sup>**

| <i>In millions of euros</i>                            | <b>2008</b> | <b>2007</b> | <b>2006</b> | <b>2005</b> | <b>2004</b> |
|--|-------------|-------------|-------------|-------------|-------------|
| Total Assets . . . . .                                 | 101,365     | 92,602      | 90,098      | 91,671      | 88,586      |
| Loans and Advances <sup>2</sup> . . . . .              | 75,699      | 66,037      | 64,994      | 64,166      | 62,836      |
| of which Granted to or guaranteed by                   |             |             |             |             |             |
| Public Authorities . . . . .                           | 64,782      | 60,219      | 60,059      | 58,287      | 56,407      |
| Equity <sup>3,4</sup> . . . . .                        | 1,979       | 2,053       | 2,576       | 3,145       | 2,592       |
| of which Unrealized Revaluation . . . . .              | (29)        | 104         | 220         | 354         |             |
| Equity per share (in euros) <sup>4,5</sup> . . . . .   | 36.06       | 35.00       | 42.31       | 50.09       | 46.55       |
| Equity as a % of Total Assets <sup>4,5</sup> . . . . . | 2.0%        | 2.1%        | 2.6%        | 3.0%        | 2.9%        |
| BIS-Ratio Tier 1 <sup>4</sup> . . . . .                | 18%         | 18%         | 24%         | 32%         | 26%         |
| BIS-Ratio <sup>4</sup> . . . . .                       | 20%         | 20%         | 26%         | 33%         | 27%         |
| Profit before Tax <sup>6</sup> . . . . .               | 182         | 238         | 255         | 276         | 301         |
| Net Profit <sup>7</sup> . . . . .                      | 158         | 195         | 199         | 311         |             |
| Profit per Share (in euros) . . . . .                  | 2.84        | 3.50        | 3.57        | 5.58        | 5.40        |
| Dividend (in Cash) . . . . .                           | 79          | 97          | 99          | 134         | 129         |
| Dividend as a % of Consolidated Net Profit . . . . .   | 50%         | 50%         | 50%         | 43%         | 43%         |
| Dividend per Share (in euros) . . . . .                | 1.42        | 1.75        | 1.78        | 2.40        | 2.32        |
| Additional Payment (in euros) . . . . .                |             | 500         | 500         |             |             |
| Additional Payment per Share (in euros) . . . . .      |             | 8.98        | 8.98        |             |             |
| Employees (in FTEs) at Year-End . . . . .              | 280         | 278         | 381         | 409         | 439         |
| - of which Subsidiaries . . . . .                      | 51          | 52          | 42          | 38          | 34          |

<sup>1</sup> From 2005 onwards, the selected financial data are based on the International Financial Reporting Standards as agreed upon within the European Union. The figures up to 2005 are based on Dutch gaap.

Consequently, the figures from 2005 onwards are not entirely comparable with earlier years.

<sup>2</sup> EUR 4,569 million of the increase in the balance sheet item Loans and Advances in 2008 was due to reclassification of the balance sheet item Financial Assets Available for Sale.

<sup>3</sup> Beginning in 2005, Equity includes an unrealized revaluation reserve due to the adoption of IFRS.

<sup>4</sup> In December 2007 and December 2006, an additional payment of EUR 500 million was made to shareholders (EUR 8.98 per share). The payment was charged to the reserves.

<sup>5</sup> Excluding the revaluation reserve.

<sup>6</sup> BNG became liable to pay corporation tax effective January 1, 2005.

<sup>7</sup> The Net Profit in 2005 is higher than the profit before tax as a consequence of the incorporation of the first fiscal valuation for corporation tax. This is a one-off adjustment.

**Essential characteristics of the Notes and the Programme**

The Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue Notes under the Programme denominated in any currency (including euro) agreed between the Issuer and the relevant dealer. The aggregate principal amount of the Notes outstanding will not at any time exceed EUR 80 billion, subject to any duly authorised increase. The aggregate principal amount, any interest rate or interest calculation, the issue price and any other terms and conditions not contained herein with respect to each series of Notes will be established at the time of issuance and set forth in the applicable final terms. The Notes may be offered for sale only outside the United States to non-U.S. persons in reliance on and in accordance with Regulation S and in accordance with all applicable laws and regulations.

Application may be made for the Notes issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and Euronext Amsterdam, as the case may be. However, Notes may also be issued under the Programme on an unlisted basis, or admitted to listing, trading and/or quotations as may be agreed between the Issuer and the relevant dealer. The final terms applicable to a series of Notes will specify whether or not such series of Notes have been admitted to trading on the regulated market of the Luxembourg Stock Exchange and Euronext Amsterdam, as the case may be.

At each issue of Notes under the Programme the Issuer will deliver a temporary global Note representing the Notes, which temporary global Note will be exchangeable for either interests in a permanent global Note or Notes in definitive bearer form. The Notes under the Programme will constitute direct and unsecured obligations of the Issuer and rank pari passu without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer and will have the benefit of a negative pledge and the events of default set out in the “**Terms and Conditions of the Notes**”. Notes may be redeemable at their Final Redemption Amount as may be specified in the Final Terms. Early redemption will be permitted for tax reasons as set out in the section “**Terms and Conditions of the Notes**” but will otherwise be permitted only to the extent set out in the Final Terms.

### **Risk Factors**

Investing in Notes issued under the Programme involves certain risks. The risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are set out under “**Risk Factors**” on page 6 below and include:

- factors which may affect the Issuer’s ability to fulfil its obligations under the Notes such as liquidity risk, market risk, operational risk, ICT risk, integrity risk, outsourcing risk and credit risk;
- general risks related to the market generally such as liquidity risk, exchange rate risk, interest rate risk and credit rating risks;
- risks affecting an investor’s ability to make an informed assessment of the risks associated with Notes issued under the Programme such as lack of sufficient knowledge and experience to make a meaningful evaluation of the Notes and the merits of investing in them; and
- risks related to the structure of certain Notes issued under the Programme (including but not limited to Index Linked Notes, Inflation Linked Notes, Fund Linked Notes and Dual Currency Notes) which can only be meaningfully evaluated by an investor having sufficient expertise.

### **Supplemental information**

For so long as any Notes are outstanding, copies and, where appropriate, English translations of the following documents may be inspected to the extent available at the website of the Issuer (<http://www.bng.com>) or alternatively during normal business hours at the specified office of the Paying Agent in Breda, London and Luxembourg, and be obtained free of charge: (a) the deed of incorporation and the Articles of Association (*‘statuten’*) of the Issuer; (b) the Issuing and Paying Agency Agreement; (c) the audited financial statements for the preceding financial year and the latest audited financial statements and unaudited semi-annual financial statements of the Issuer; (d) a copy of this Base Prospectus and any further prospectus or prospectus supplement prepared by the Issuer for the purpose of updating or amending any information contained herein or therein; and (e) each final terms in relation to listed issues of Notes.

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# Risk Factors

*Prospective investors should read the entire Base Prospectus.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons. The risks described below are not the only risks the Issuer faces. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.*

*Words and expressions defined in the “**Terms and Conditions of the Notes**” below or elsewhere in this Base Prospectus have the same meanings in this section, unless otherwise stated. Prospective investors should consider, among other things, the following.*

## **Factors that may affect the Issuer’s ability to fulfil its obligations under the Bonds**

The risks specific to the situation of BNG that are material for taking investment decisions and that may affect BNG’s ability to fulfil its obligations under the Bonds are described in this risk factor. BNG pursues a prudent risk policy, and risk management and control are important elements of its business operations. In accordance with the risk classification outlined by the Dutch Central Bank, the material risks of BNG are:

- equity risk, the risk arising from movement in market prices leading to a decrease of the value of equity, which equity underlies transactions in which BNG is involved;
- liquidity risk, the possibility that the bank will be unable at any given moment to meet its payment obligations without incurring unacceptable losses;
- market risk, the risk that the value of a portfolio falls due to changes in market prices;
- operational risk, the risk defined in the Basel II under 'as the risk of losses resulting from inadequate or failing processes and systems, staff errors or external events';
- information and communications technology (“**ICT**”) risk, the existing or future threat to equity and results arising from inadequate IT strategy and policy, shortcomings in the applied technologies or incorrect use of the information processing systems;
- integrity risk, the impairment of BNG's reputation, as well as the existing or future threat to the institutions equity and results due to inadequate compliance with internal and external laws and regulations;
- outsourcing risk, the existing or future threat to equity and results arising from inadequate performance by companies to which work has been outsourced; and
- credit risk, the risk that a client or counterparty will default on its contractual obligations or suffer a decline in creditworthiness.

With respect to BNG’s exposure to credit risk the following is noted. The vast majority of the loans and advances are extended to public authorities or are directly or indirectly government-guaranteed. BNG only accepts financial institutions with high creditworthiness as counterparties. The types of risks referred to above and the manner in which BNG aims to manage these risks are explained in the Risk Section on pages 59-71 of the Annual Report 2008, as incorporated by reference and part of this Prospectus.

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

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

### *Liquidity risks*

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

*Exchange rate risks and exchange controls*

The Issuer will pay principal and interest on the Notes in the currency specified in the applicable Final Terms (the “**Specified Currency**”). This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the Specified Currency. These include the risk that exchange rates may change significantly (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (i) the Investor’s Currency-equivalent yield on the Notes, (ii) the Investor’s Currency-equivalent value of the principal payable on the Notes and (iii) the Investor’s Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

*Interest rate risks*

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

*Credit Rating Risks*

Credit or corporate ratings may not reflect all risks. One or more independent rating agencies may assign ratings to the Notes and/or the Issuer. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this paragraph, and other factors that may affect the value of the Notes or the standing of the Issuer. A credit rating and/or a corporate rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

**Factors which might affect an investor’s ability to make an informed assessment of the risks associated with Notes issued under the Programme**

Each potential investor in the Notes must be able to make an informed assessment of the Notes, based upon full knowledge and understanding of the facts and risks. Each potential investor must determine the suitability of that investment in light of its own circumstances. The following factors might affect a potential investor’s ability to appreciate the risk factors outlined below, placing such potential investor at a greater risk of receiving a lesser return on his investment:

- (i) if such an investor does not have sufficient knowledge and experience to make a meaningful evaluation of the Notes and the merits of investing in the Notes in light of the risk factors outlined below;
- (ii) if such an investor does not have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of his particular financial situation, the significance of these risk factors and the impact the Notes will have on his overall investment portfolio;
- (iii) if such an investor does not have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential Investor’s Currency (as defined herein);
- (iv) if such an investor does not understand thoroughly the terms of the Notes and is not familiar with the behaviour of any relevant indices in the financial markets (including the risks associated thereof) as such investor is more vulnerable from any fluctuations in the financial markets generally; and
- (v) if such an investor is not able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect his investment and his ability to bear the applicable risks.

**Risks related to the structure of a particular issue of Notes**

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

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments but as a way to reduce risk or enhance yield with an

understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

*Notes subject to optional redemption by the Issuer*

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

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

*Index Linked Notes, Inflation Linked Notes, Fund Linked Notes and Dual Currency Notes*

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a **"Relevant Factor"**). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Prospective investors should be aware that:

- (i) the market price of such Notes may be very volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) depending on their original principal and on the type of Notes, they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable is likely to be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

*Fund Linked Notes*

The Issuer may issue Notes with principal or interest determined by reference to the performance of an underlying investment fund. Potential investors in Fund Linked Notes should understand that:

- (i) there are market risks associated with an actual investment in the underlying investment fund, and though the Notes do not create an actual interest in the underlying investment fund, the return on the Notes generally involves the same associated risks as an actual investment in the underlying investment fund. Potential investors in Fund Linked Notes should understand that the Issuer has not purported and does not purport to be a source of information concerning the market risks associated with the underlying fund or fund interests;
- (ii) third parties, not related to the Issuer, may subscribe for and redeem underlying fund interests. These investments may affect the performance and volatility of the fund's net asset value. In turn, this could affect, from time to time, the return on the Notes;



- (iii) the Issuer may invest in the underlying investment fund for its own account, and the Issuer may exercise its discretion in respect of matters concerning its holding of fund interests as it sees fit, without regard to the interests of any investor in the Notes;
- (iv) any performance of the underlying investment fund necessary for the Notes to yield a specific return is not assured. Potential investors in the Notes should understand that the performance of the underlying investment fund may, depending on the terms of the Notes, strongly affect the value of payments on the Notes and the Issuer has no control over the underlying investment fund or the performance of such fund;
- (v) the value of units in the underlying investment fund and the income from it may fluctuate significantly. The Issuer has not provided (save as provided herein) and will not provide during the term of the Notes prospective purchasers of the Notes with any information or advice with respect to the performance of an underlying investment fund. The Issuer may have acquired, or during the term of the Notes may acquire, non-public information with respect to an underlying investment fund, which will not be provided to the Noteholders. The Issuer makes no representation or warranty about, or guarantee of, the performance of an underlying investment fund. Past performance of an underlying fund cannot be considered a guide to future performance;
- (vi) the investment funds may follow a wide range of investment strategies, and invest in assets in a number of different countries and denominated in a number of different currencies. The returns to the Noteholders may, therefore, be materially affected by, among other things, market trends, exchange rate fluctuations and political and economic developments in the relevant countries. This may lead to substantial volatility in the net asset value of the funds;
- (vii) the investment funds may have investment strategies and guidelines that are very broad. They may also be free to engage in additional or alternative strategies without reference to any other person;
- (viii) the investment funds may often rely on a few individuals to determine their investment strategies and to make investment decisions. The loss of such individuals could jeopardise the performance of the funds;
- (ix) the investment funds may be engaged in a high level of trading with commensurately high brokerage and transaction costs, as well as costs associated with leverage, such as interest payments and margin maintenance. Such costs will adversely affect the net asset value of the funds;
- (x) the investment funds will be exposed to credit risks against brokers and other counterparties with which they deal in implementing their investment strategies;
- (xi) where underlying investment funds invest in unlisted shares and certain other assets, risks associated with reduced liquidity and lack of objective valuations will arise. Moreover, the underlying investment funds may invest in emerging markets. This involves risks attributable to nationalisations, expropriation or taxation, currency devaluation, foreign exchange control, political, social or diplomatic instability or governmental restrictions. The capital markets in such countries have substantially less volume, and are generally less liquid and more volatile, than those in more developed markets. Disclosure and regulatory requirements could be less stringent than in other markets, with a low level of monitoring and limited and uneven enforcement of existing regulations;
- (xii) certain of the underlying funds may have no or a limited operating history, with no proven track record in achieving their stated investment objectives; and
- (xiii) the underlying investment funds, or some of them, may be wholly unregulated investment vehicles and may trade in futures, options, forward exchange contracts and other derivative instruments, which may represent significant investment risks. In addition, underlying investment funds may acquire leveraged trading positions, including through the use of borrowing, and may engage in short selling. As a result of leverage, relatively small price movements may result in substantial losses or gains and an underlying investment fund itself may be subject to fees and charges on its investments which shall be borne by such fund and incorporated in the value of interests in it.

*Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing

securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

## **Risks related to Notes generally**

### *Modification and waiver*

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

### *Tax consequences of holding the Notes*

Any potential investor should consult its own independent tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes in its particular circumstances, which could follow from, amongst others, the EU Savings Directive. See **“Taxation”**.

### *Notes held in global form*

The Notes will initially be held by a common depository on behalf of Euroclear and/or Clearstream, Luxembourg or by Euroclear Nederland, in each case in the form of a global Note which will be exchangeable for definitive Notes in limited circumstances as more fully described in the section headed **“Form of the Notes”** below. For as long as any Notes are represented by a global Note held by a common depository in the case of a CGN, or a common safekeeper in the case of an NGN, on behalf of Euroclear and/or Clearstream, Luxembourg, payments of principal, interest (if any) and any other amounts on a global Note will be made through Euroclear and/or Clearstream, Luxembourg (as the case may be) against presentation or surrender (as the case may be) of the relevant global Note and, in the case of a Temporary Global Note, certification as to non-U.S. beneficial ownership. The bearer of the relevant global Note, being the common depository for Euroclear and/or Clearstream, Luxembourg or Euroclear Nederland, shall be treated by the Issuer and any Paying Agent as the sole holder of the relevant Notes represented by such global Note with respect to the payment of principal, interest (if any) and any other amounts payable in respect of the Notes.

In relation to any issue of Notes which have a denomination of €50,000 (in such case defined as the minimum **“Specified Denomination”**) plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €50,000 (or its equivalent) that are not integral multiples of €50,000 (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination (a **“Stub Amount”**) may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination. As long as the Stub Amount is held in the relevant clearing system, the Noteholder will be unable to transfer this Stub Amount.

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

### *Nominee Arrangements*

Where, in the case of an issue of Notes a nominee service provider is used by an investor to hold the relevant Notes or such investor holds interests in any Series of Notes through accounts with a clearing system (such as Euroclear, Clearstream, Luxembourg or Euroclear Nederland), such investor will receive payments in respect of principal, interest, (if any) or any other amounts due, as applicable, solely on the basis of the arrangements entered into by the investor with the relevant nominee service provider or clearing system, as the case may be. Furthermore, such investor must rely on the relevant nominee service provider or clearing system to distribute all payments attributable to the relevant Notes which are received from the Issuer. Accordingly, such an investor will be exposed to the credit risk of, and default risk in respect of, the relevant nominee service provider or clearing system, as well as the Issuer.

For the purposes of (a) distributing any notices to Noteholders, and (b) recognising Noteholders for the purposes of attending and/or voting at any meetings of Noteholders, the Issuer will recognise as Noteholders only those persons who are at any time shown as accountholders in the records of Euroclear and/or Clearstream, Luxembourg or Euroclear Nederland as persons holding a principal amount of the relevant Series of Notes. Accordingly, an investor must rely upon the nominee service provider which is the accountholder with the relevant clearing system through which the investor made arrangements to invest in the Notes (and, if

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applicable, the domestic clearing system through which the Notes are held), to forward notices received by it from Euroclear and/or Clearstream, Luxembourg or Euroclear Nederland and to return the investor's voting instructions or voting certificate application to Euroclear and/or Clearstream, Luxembourg or Euroclear Nederland. Accordingly, such an investor will be exposed to the risk that the relevant nominee service provider or clearing system may fail to pass on the relevant notice to, or fail to take relevant instructions from, the investor.

In addition, such a Noteholder will only be able to sell any Note held by it prior to its stated maturity date with the assistance of the relevant nominee service provider.

None of the Issuer, the Arranger, any Dealer to be appointed under the Programme or the Agent shall be responsible for the acts or omissions of any relevant nominee service provider or clearing system nor makes any representation or warranty, express or implied, as to the services provided by any relevant nominee service provider or clearing system.

*Change of law and jurisdiction*

The conditions of the Notes are governed by Dutch law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change to Dutch law or administrative practice after the date of this Prospectus.

Prospective investors should note that the courts of The Netherlands shall have jurisdiction in respect of any disputes involving any Series of Notes. Noteholders may take any suit, action or proceedings arising out of or in connection with the Notes against the Issuer in any court of competent jurisdiction. The laws of The Netherlands may be materially different from the equivalent law in the home jurisdiction of prospective investors in its application to the Notes.

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## Important Notice

N.V. BANK NEDERLANDSE GEMEENTEN (the “**Issuer**” or “**BNG**”) has confirmed that this Base Prospectus contains all information regarding the Issuer and (subject to being supplemented by any final terms (each the “**Final Terms**”) as referred to on page 41 hereof) the Notes issued under the Programme which is (in the context of the Programme and the issue of the Notes) material and such information is true and accurate in all respects and is not misleading. The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Issuer has not authorised the making or provision of any representation or information regarding the Issuer or the Notes other than as contained or incorporated by reference in this Base Prospectus or any Final Terms or as approved in writing for such purpose by the Issuer. Any such representation or information should not be relied upon as having been authorised by the Issuer or the Dealers.

The delivery of this Base Prospectus or any Final Terms and the offering, sale or delivery of any Notes shall not in any circumstances create any implication that there has been no adverse change in the financial situation of the Issuer since the date hereof or, as the case may be, the date upon which the Base Prospectus has been most recently amended or supplemented or the balance sheet date of the most recent financial statements was deemed to be incorporated by reference into this Base Prospectus.

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Base Prospectus and other offering material relating to the Notes see “**Plan of Distribution**” below.

The Notes have not been, and will not be, registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States, or to or for the account or benefit of U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes will be issued in bearer form only and are subject to United States tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to United States persons, as those terms are defined in the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), and by the U.S. Treasury Regulations thereunder.

**The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Notes or the accuracy of this Base Prospectus. Any representation to the contrary is a criminal offence in the United States.**

This Base Prospectus does not constitute an offer of, or an invitation to subscribe for or purchase, any Notes and should not be considered as a recommendation by the Issuer or the Dealers that any recipient of this Base Prospectus should subscribe for or purchase any Notes. Each recipient shall be taken to have made its own investigation and appraisal of the financial condition of the Issuer.

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

**In connection with the issue of Notes under the Programme, the Dealer who is specified in the Final Terms as the Stabilising Manager (or any person acting for the Stabilising Manager) in relation to the relevant series of Notes may over-allot Notes or effect transactions with a view to supporting the market price of the Notes of such series at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the Stabilising Manager (or any agent of the Stabilising Manager) to do this. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Such stabilising or over-allotment shall be in compliance with all applicable laws, regulations and rules.**

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## Documents Incorporated by Reference

The following documents have been filed with the AFM and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- The annual reports, including the audited annual accounts, of the Issuer for the years ended 31 December 2007 and 31 December 2008.
- The Articles of Association of the Issuer.
- The terms and conditions as referred to on pages 10 up to and including 25 of the information memorandum of the Issuer relating to the Programme, dated 3 December 2003 (the “**2003 Terms and Conditions**”).
- The terms and conditions as referred to on pages 10 up to and including 25 of the information memorandum of the Issuer relating to the Programme, dated 2 December 2004 (the “**2004 Terms and Conditions**”).
- The terms and conditions as referred to on pages 16 up to and including 31 of the base prospectus of the Issuer relating to the Programme, dated 11 July 2005 (the “**2005 Terms and Conditions**”).
- The terms and conditions as referred to on pages 16 up to and including 32 of the base prospectus of the Issuer relating to the Programme, dated 21 July 2006 (the “**2006 Terms and Conditions**”).<sup>1</sup>
- The terms and conditions as referred to on pages 20 up to and including 37 of the information memorandum of the Issuer relating to the Programme, dated 23 July 2007 (the “**2007 Terms and Conditions**”).
- The terms and conditions as referred to on pages 21 up to and including 38 of the Base Prospectus of the Issuer relating to the Programme, dated 24 July 2008 (the “**2008 Terms and Conditions**”).

The Issuer will, at the specified offices of the Paying Agents for the Notes, provide, without charge, to any person, upon the oral or written request of such person, a copy of any or all of the documents incorporated herein by reference as well as the Issuing and Paying Agency Agreement and a copy of this Base Prospectus and, where appropriate, English translations of any or all such documents. Written or oral requests for such documents should be directed to the specified office of any Paying Agent or, in the case of Notes listed on the regulated market of the Luxembourg Stock Exchange or Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext Amsterdam N.V., the specified office of the Listing Agent in Luxembourg or the Listing Agent in Amsterdam, respectively.

<sup>1</sup> *The 2003 Terms and Conditions, 2004 Terms and Conditions, 2005 Terms and Conditions, 2006 Terms and Conditions, 2007 Terms and Conditions and 2008 Terms and Conditions shall be relevant in case of re-openings of issues of Notes that were originally opened having the benefit of one the aforementioned terms and conditions, as set out in more detail in the section “**Form of Final Terms**” on page 41 of this Base Prospectus.*

## Key Features of the Programme

The following is a brief summary only and should be read, in relation to any Series of Notes, in conjunction with the relevant Final Terms and, to the extent applicable, the Terms and Conditions of the Notes set out below.

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| <b>Issuer:</b>                   | N.V. Bank Nederlandse Gemeenten, a company incorporated in The Netherlands with limited liability and having its statutory domicile in The Hague.   |
| <b>Programme Arranger:</b>       | UBS Limited.  |
| <b>Registration Agent:</b>       | UBS AG.   |
| <b>Principal Dealers:</b>        | N.V. Bank Nederlandse Gemeenten, Barclays Bank PLC, BNP PARIBAS, Citigroup Global Markets Limited, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International), Commerzbank Aktiengesellschaft, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Goldman Sachs International, ING Bank N.V., Merrill Lynch International, Mizuho International plc, J.P. Morgan Securities Ltd., Nomura International plc, Royal Bank of Canada Europe Limited, The Royal Bank of Scotland plc, The Toronto-Dominion Bank and UBS Limited.   |
| <b>Swiss Dealers:</b>            | BNP Paribas (Suisse) SA, Credit Suisse, Deutsche Bank Aktiengesellschaft, Frankfurt am Main, Zurich Branch, Goldman Sachs Bank AG and UBS AG.   |
| <b>Other Dealers:</b>            | Any other dealer appointed from time to time by the Issuer, either generally in relation to the Programme or in relation to a particular Series of Notes. Any such further dealers, together with the Principal Dealers and the Swiss Dealers, are referred to as “Dealers” in this Base Prospectus.  |
| <b>Issuing and Paying Agent:</b> | Deutsche Bank AG, London Branch.  |
| <b>Paying Agents:</b>            | ABN AMRO Bank N.V. and Deutsche Bank Luxembourg S.A.  |
| <b>Programme Amount:</b>         | On 29 November 1993, the Executive Board of the Issuer, pursuant to the authorisation of the Supervisory Board of the Issuer of 12 November 1993, resolved to set up a programme for the issuance of Notes. On 19 July 1995, the Executive Board, pursuant to the authorisation of the Supervisory Board of 28 June 1995, resolved to increase the sum of the aggregate principal amounts issued under the Programme to NLG 10,000,000,000 (or its equivalent in other currencies). On 25 March 1996, the Executive Board, pursuant to the authorisation of the Supervisory Board of 18 March 1996, resolved to increase the sum of the aggregate principal amounts issued under the Programme to NLG 20,000,000,000 (or its equivalent in other currencies). On 7 July 1997, the Executive Board, pursuant to the authorisation of the Supervisory Board of 4 July 1997, resolved to increase the sum of the aggregate principal amounts issued under the Programme to NLG 30,000,000,000 (or its equivalent in other currencies). On 10 February 1998, the Executive Board, pursuant to the authorisation of the Supervisory Board of 19 December 1997, resolved to increase the sum of the aggregate principal amount issued under the Programme to NLG 40,000,000,000 (or its equivalent in other currencies). On 7 September 1998, the Executive Board, pursuant to the authorisation of the Supervisory Board of 4 September 1998, resolved to increase the sum of the aggregate principal amount issued under the Programme to |

NLG 50,000,000,000 (or its equivalent in other currencies). On 21 December 1998, the Executive Board, pursuant to the authorisation of the Supervisory Board of 18 December 1998, resolved to denominate the Programme amount in Euro and to increase the aggregate principal amount outstanding under the Programme at any time to Euro 50,000,000,000 (or its equivalent in other currencies). On 2 December 2002, the Executive Board, pursuant to the authorisation of the Supervisory Board of 29 November 2002, resolved to increase the maximum aggregate principal amount issued and outstanding under the Programme at any time to Euro 60,000,000,000 (or its equivalent in other currencies). On 1 December 2003, the Executive Board, pursuant to the authorisation of the Supervisory Board of 28 November 2003, resolved to increase the maximum aggregate principal amount issued and outstanding under the Programme at any time to Euro 70,000,000,000 (or its equivalent in other currencies). On 11 March 2008, the Executive Board, pursuant to the authorisation of the Supervisory Board of 2 December 2005, resolved to increase the maximum aggregate principal amount issued and outstanding under the Programme at any time to Euro 80,000,000,000 (or its equivalent in other currencies). The Programme amount may be increased from time to time subject to the preparation of a Base Prospectus supplemental which shall be subject to the prior approval of the AFM.

**Form of Notes:**

Notes will be issued in bearer form.

In respect of each Series (as defined below), unless otherwise specified in the Final Terms, the Issuer will deliver either a temporary global Note or a permanent global Note, in each case as specified in the relevant Final Terms. Each global Note which is not intended to be issued in new global note (“NGN”) form (a “**Classic Global Note**” or “**CGN**”), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a depository or a common depository for Euroclear Bank SA/NV (“**Euroclear**”), Clearstream Banking Société anonyme, Luxembourg (“**Clearstream, Luxembourg**”) and/or any other relevant clearing system (including Clearstream Banking AG) and each global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Such temporary global Note will be exchangeable for interests in a permanent global Note or for Notes in definitive bearer form in accordance with (i) its terms and (ii) the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or any other agreed clearing system. Each permanent global Note will be exchangeable for Notes in definitive bearer form in accordance with (i) its terms and (ii) the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or any other agreed clearing system, at the cost and expense of the Issuer. Definitive Notes (as defined below) will be in either K-form or CF-form, as described in Condition 1 of the Terms and Conditions of the Notes below. Interestbearing Notes may have interest coupons and, if applicable, a talon for further coupons attached.

On 13 June 2006, the European Central Bank (the “**ECB**”) announced that Notes in NGN form are in compliance with the “**Standards for the use of EU securities settlement systems in ESCB credit operations**” of the central banking system for the euro (the “**Eurosystem**”), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and



Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

In case of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of Euro 50,000 (or its equivalent) that are not integral multiples of Euro 50,000 (or its equivalent). So long as such Notes are represented by a Temporary Global Note or Permanent Global Note and the relevant clearing system(s) so permit, these Notes will be tradeable only in the minimum authorised denomination of Euro 50,000 increased with integral multiples of Euro 1,000, notwithstanding that no Definitive Notes will be issued with a denomination over Euro 99,000.

Notes denominated in Swiss Francs (“**Swiss Franc Notes**”) will be represented exclusively by a permanent global Note which shall be deposited with SIX SIS AG, Olten, Switzerland (“**SIS**”), or such other depositary as may be approved by the Admission Board of the SIX Swiss Exchange. The permanent global Note will be exchangeable for definitive Notes only if (i) Euroclear and/or Clearstream, Luxembourg and/or SIS and/or any other agreed clearing system, as applicable, has informed the Issuer that it has or they have, as the case may be, ceased or will cease to act as the clearing system(s) in respect of the Permanent Global Note, or (ii) any of the events referred to in Condition 7 (*Events of Default*) takes place, unless such event is remedied within seven days of its occurrence but not at the request of the Holder of the Permanent Global Note, or (iii) the principal Swiss paying agent considers, after consultation with the Issuer, the printing of Definitive Notes to be necessary or useful, or (iv) the presentation of Definitive Notes and Coupons is required by Swiss or other applicable laws or regulations in connection with the enforcement of rights of noteholders, or (v) such exchange is required by the Issuer as a result of changes to the tax regime in the United States of America.

- Noteholders’ Direct Rights:** On the occurrence of an Event of Default, or if Euroclear and/or Clearstream, Luxembourg and/or any other agreed clearing system, as applicable, cease to act as the clearing systems for the Notes, the Permanent Global Note will be exchangeable for Definitive Notes. If the relevant global Note is not duly exchanged, the terms of such global Note provide for relevant account holders with Euroclear or Clearstream, Luxembourg or any other agreed clearing system(s) to whose securities account(s) with such clearing system(s) the Notes are credited to be able to enforce rights directly against the Issuer on behalf of the Noteholders such as they would have had if they had been holding Definitive Notes to the relevant value at the time of such event. Payments by the Issuer to the relevant account holders will be considered as payments to the relevant Noteholders and operate as full and final discharge of the Issuer’s obligations in this respect.
- Interest:** Notes may be interest-bearing and/or non-interest bearing. Interest (if any) may be at a fixed or floating rate and may vary during the lifetime of the relevant Series.
- Fixed Interest Rate Notes:** Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms and at maturity.
- Floating Rate Notes:** Floating Rate Notes will bear interest by reference to LIBOR, LIBID, LIMEAN or EURIBOR (or such other benchmark rate as may be specified in the relevant Final Terms) as adjusted for any applicable margin. Interest Periods will be agreed by the Issuer with the relevant

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|  | Dealer prior to issue and specified in the relevant Final Terms. Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.  |
| <b>Dual Currency Notes:</b>                                    | Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the applicable Final Terms.  |
| <b>Other provisions in relation to Interest bearing Notes:</b> | Notes may have a maximum interest rate, a minimum interest rate or both. Interest on Notes in respect of each Interest Period, as determined prior to issue by the Issuer and the relevant Dealer (if any), will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be determined by the relevant Issuer and the relevant Dealer (as indicated in the applicable Final Terms).   |
| <b>Fund Linked Notes:</b>                                      | Payments in respect of interest and principal on Fund Linked Notes will be calculated by reference to such fund or basket of funds and/or formula(e) as may be specified in the applicable Final Terms. Fund Linked Notes will have a denomination of at least Euro 50,000.   |
| <b>Index Linked Notes:</b>                                     | Payments on Notes of which the amount in respect of principal and interest will be calculated by reference to such index and/or formula(e) as may be specified in the applicable Final Terms (“ <b>Index Linked Redemption Notes</b> ”) or payments on Notes of which the amount in respect of interest will be calculated by reference to such index and/or formula(e) as may be specified in the applicable Final Terms (“ <b>Index Linked Interest Notes</b> ”).                             |
| <b>Inflation Linked Notes:</b>                                 | Payments on Notes of which the amount in respect of principal and interest will be calculated by reference to such inflation index and/or formula(e) as may be specified in the applicable Final Terms (“ <b>Inflation Linked Redemption Notes</b> ”) or payments on Notes of which the amount in respect of interest will be calculated by reference to such inflation index and/or formula(e) as may be specified in the applicable Final Terms (“ <b>Inflation Linked Interest Notes</b> ”). |
| <b>Swap Related Notes:</b>                                     | Swap Related Notes will bear interest payable on such dates and in such amounts as would have been payable by the Issuer had it entered into an interest rate swap transaction (to which a 1992 or 2002 ISDA Master Agreement and the 2000 or 2006 ISDA Definitions (as amended and supplemented from time to time) applied and having the terms set out in the relevant Final Terms) with the holder of such Notes.  |
| <b>Variable Coupon Amount Notes:</b>                           | The Final Terms issued in respect of each issue of Variable Coupon Amount Notes will specify the basis for calculating the amounts of interest payable, which may be by reference to a stock or commodity index, a currency exchange rate or any other index or as otherwise provided in the relevant Final Terms.  |
| <b>Zero Coupon Notes:</b>                                      | Zero Coupon Notes will not bear interest other than in relation to interest due after the Maturity Date.  |
| <b>Redemption:</b>   | Notes may be redeemable at their Final Redemption Amount as may be specified in the relevant Final Terms.   |
| <b>Other Notes:</b>  | Terms applicable to High Interest Notes, Low Interest Notes, Step-Up Notes, Step-Down Notes, Dual Currency Notes, Reverse Dual Currency Notes, Optional Dual Currency Notes and any other type of Notes which   |

the Issuer may agree to issue under the Programme, subject to compliance with all relevant laws, regulations and directives, will be set out in the relevant Final Terms.

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| <b>Cross Default:</b>       | None.   |
| <b>Negative Pledge:</b>     | The Issuer will give a negative pledge in respect of bonds, notes or other publicly issued debt securities which are (or are capable of being) traded or listed on any stock exchange, over-the-counter or similar securities market.   |
| <b>Events of Default:</b>   | The events of default under the Notes are as specified below under <b>“Terms and Conditions of the Notes”</b> .   |
| <b>Status of the Notes:</b> | The Notes will constitute direct and unsecured obligations of the Issuer and will rank pari passu without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory operation of law.  |
| <b>Currencies:</b>          | Notes may be denominated in any currency (including, without limitation, the Euro, the Japanese Yen, the New Zealand Dollar, the Pound Sterling, the Swiss Franc and the United States Dollar) subject to compliance with all applicable legal or regulatory requirements. Notes may, subject to compliance as aforesaid, be issued as Dual Currency Notes.<br><br>The relevant Final Terms may specify if redenomination is applicable in respect of Notes denominated in the currency of a member state of the European Union, as more fully set out under <b>“Terms and Conditions of the Notes”</b> .<br><br>In addition, Notes may be redenominated by the Issuer in accordance with The Netherlands Act on Redenomination of 26 November 1998 ( <i>‘Wet schuldredenominatie’</i> ). Under this law, the Issuer may, under certain conditions, redenominate Notes issued in the national currency of one of the countries of the Euro-Zone as defined in Condition 9(f)(ii) of the Terms and Conditions of the Notes into Euro without the consent of Holders. |
| <b>Issuance in Series:</b>  | Notes will be issued in series (each a <b>“Series”</b> ) comprising one or more tranches of Notes of that Series. The Notes of each Series will be intended to be interchangeable among themselves and will all be subject to identical terms (other than in respect of the date of issue), whether as to currency, denomination, interest or maturity or otherwise.  |
| <b>Issue Price:</b>         | Notes may be issued at their principal amount or at a discount or premium to their principal amount.  |
| <b>Maturities:</b>          | Notes issued under the Programme shall have a minimum maturity of one year subject to compliance with all applicable legal or regulatory requirements. Without prejudice to the generality of the foregoing and in conformity with regulations in force as of the date of this Base Prospectus, these limits may be subject to change as a result of legal or regulatory changes.   |
| <b>Denominations:</b>       | Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.   |

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| <b>Early Redemption:</b>     | Early redemption will be permitted for taxation reasons as mentioned in “ <b>Terms and Conditions of the Notes – Redemption and Purchase – Early Redemption for Taxation Reasons</b> ”, but will otherwise be permitted only to the extent specified in the relevant Final Terms and subject to all applicable legal and/or regulatory requirements.   |
| <b>Taxation:</b>             | Payments in respect of Notes will be made without withholding in respect of taxes imposed by or in The Netherlands or, if such taxes are required to be withheld, will be increased, subject to the exceptions set out in “ <b>Terms and Conditions of the Notes – Taxation</b> ”.   |
| <b>Governing Law:</b>        | The Notes and all related contractual documentation will be governed by, and construed in accordance with, the laws of The Netherlands.  |
| <b>Rating:</b>               | The senior outstanding public long-term debt of the Issuer is rated Aaa by Moody’s Investors Service Limited, AAA by Standard & Poor’s Ratings Services, a division of the McGraw Hill Companies Inc. and AAA by Fitch Ratings Limited. The Issuer has been awarded the highest Bank Financial Strength Rating by Moody’s Investors Service Limited, being A and the highest Individual rating by Fitch Ratings Limited, being A. Where a tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. The Programme has been rated AAA by Standard & Poor’s Ratings Services, a division of the McGraw-Hill Companies Inc., AAA by Fitch Ratings Limited and Aaa by Moody’s Investors Service Limited. Tranches of Notes issued under the Programme may be rated or unrated. Where a tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme. |
| <b>Listing:</b>              | Each Series may be admitted to listing on the regulated market of the Luxembourg Stock Exchange, Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext Amsterdam N.V. or such other or additional stock exchange or securities market as may be agreed between the Issuer and the relevant Dealer, or may be unlisted.   |
| <b>Terms and Conditions:</b> | The Terms and Conditions applicable to each Series will be as agreed between the Issuer and the relevant Dealer or other purchaser at or prior to the time of issuance of such Series, and will be specified in the relevant Final Terms. A form of the Final Terms is set out below. The Terms and Conditions applicable to each Series will therefore be those set out below as supplemented, modified or varied by the relevant Final Terms.  |

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# Terms and Conditions of the Notes

*The following is the text of the Terms and Conditions of the Notes which (subject to completion and amendment) will be attached to or incorporated by reference into each Note in global form and which will be attached to or endorsed upon each definitive Note in K-form and will be applicable to each definitive Note in CF-form, provided that the relevant Final Terms in relation to any Series of Notes may specify other Terms and Conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace the following Terms and Conditions for the purposes of such Series of Notes. The applicable Final Terms will be endorsed or incorporated by reference into or attached to each Global Note and definitive Note in K-form and will be applicable to each definitive Note in CF-form.*

The Notes are issued in accordance with an issuing and paying agency agreement (the “**Issuing and Paying Agency Agreement**”), (which expression shall include any amendments or supplements thereto) dated 7 December 1993 and most recently amended and restated on 29 July 2009 and made between N.V. Bank Nederlandse Gemeenten (the “**Issuer**”), Deutsche Bank AG, London Branch (formerly Bankers Trust Company) (Winchester House, 1 Great Winchester Street, London EC2N 2DB, England), in its capacity as issuing and paying agent (the “**Issuing and Paying Agent**”, which expression shall include any successor to Deutsche Bank AG, London Branch in its capacity as such) and certain other financial institutions named therein in their capacities as paying agents (the “**Paying Agents**”, which expression shall include the Issuing and Paying Agent and any substitute or additional paying agents appointed in accordance with the Issuing and Paying Agency Agreement). A copy of the Issuing and Paying Agency Agreement is available for inspection at the specified office of each of the Paying Agents. All persons from time to time entitled to the benefit of obligations under any Notes shall be deemed to have notice of and to be bound by all of the provisions of the Issuing and Paying Agency Agreement insofar as they relate to the relevant Notes.

For the purposes of Notes denominated in Swiss Francs (the “**Swiss Franc Notes**”), the Issuer will, together with the Issuing and Paying Agent and the Swiss paying agent specified in the Final Terms relating to the relevant issue of Notes as principal Swiss paying agent (the “**Principal Swiss Paying Agent**”), enter into a supplemental issuing and paying agency agreement. In addition, all references in the Terms and Conditions of the Notes to the “**Issuing and Paying Agent**” and the “**Paying Agents**” shall, so far as the context permits, be construed as references only to the relevant Swiss paying agents, as set out in paragraph 9 of Part B of the Final Terms and references in the Terms and Conditions of the Notes to “**Euroclear**” and/or “**Clearstream, Luxembourg**” shall be construed as including references to SIX SIS AG, the Swiss Securities Services Corporation in Olten, Switzerland (“**SIS**” which expression shall include any other clearing institution recognised by the SIX Swiss Exchange with which the Permanent Global Note may be deposited from time to time), which shall be considered an additional or alternative clearing system for the purposes of the final paragraph of Condition 1(c) of the Terms and Conditions of the Notes.

The Notes are issued in series (each a “**Series**”), and each Series will be the subject of the final terms (each the “**Final Terms**”) prepared by or on behalf of the Issuer, a copy of which will be available free of charge at the specified office of each of the Paying Agents and:

- (i) a copy of which will, in the case of a Series in relation to which application has been made for admission to the regulated market of the Luxembourg Stock Exchange, be lodged with the Luxembourg Stock Exchange; or
- (ii) a copy of which will, in the case of a Series in relation to which application has been made for admission to Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext Amsterdam N.V. (“**Euronext Amsterdam**”), be lodged with Euronext Amsterdam N.V.; or
- (iii) a copy of which will, in the case of a Series in relation to which application has not been made for admission to any such listing, be attached to or incorporated by reference into each Note of such Series.

## **1. FORM AND DENOMINATION**

(a) Notes are issued in bearer form. A Note may be a Fixed Rate Note, a Floating Rate Note, a Dual Currency Note, an Index Linked Note, an Inflation Linked Note, a Fund Linked Note, a Zero Coupon Note, a Variable Coupon Amount Note, a High Interest Note, a Low Interest Note, a Step-up Note or a Step-down Note depending upon the Interest Basis shown on its face, and a Fixed Redemption Amount Note or a Variable

Redemption Amount Note (which shall be redeemable at their Final Redemption Amount as specified in the Final Terms) depending on the Redemption Basis shown on its face. All payments in respect of such Note shall, without prejudice to Article 8.1 of Council Regulation no. 974/98 of 3 May 1998, be made in the currency shown on its face unless it is stated on its face to be a Dual Currency Note (which for the purposes of these Terms and Conditions shall include Reverse Dual Currency Notes, Optional Dual Currency Notes and any other Note in respect of which payments shall, or may at the option of the Issuer or any holder, be made in more than one currency) or a Note where Condition 9(g) has been applied, in which case payments shall be made on the basis stated in the relevant Final Terms.

(b) Unless otherwise specified in the Final Terms, Notes will be represented upon issue by a temporary global instrument (a “**Temporary Global Note**”) in substantially the form (subject to amendment and completion) scheduled to the Issuing and Paying Agency Agreement. On or after the date (the “**Exchange Date**”) which is expected to be, but shall not be less than, 40 days after the original issue date of the Notes of the relevant Series and provided certification as to the beneficial ownership thereof as required by US Treasury regulations (in the form set out in the Temporary Global Note) has been received, interests in the Temporary Global Note may be exchanged for:

- (i) interests in a permanent global instrument (a “**Permanent Global Note**”) representing the Notes in that Series and in substantially the form (subject to amendment and completion) scheduled to the Issuing and Paying Agency Agreement; or
- (ii) if so specified in the relevant Final Terms, definitive Notes (“**Definitive Notes**”) in substantially the form (subject to amendment and completion) scheduled to the Issuing and Paying Agency Agreement.

(c) If any date on which a payment of interest is due on the Notes of a Series occurs whilst any of the Notes of that Series are represented by the Temporary Global Note, the related interest payment will be made on the Temporary Global Note only to the extent that certification as to the beneficial ownership thereof as required by US Treasury regulations (in the form set out in the Temporary Global Note) has been received by Euroclear Bank SA/NV, as operator of the Euroclear System (“**Euroclear**”) or Clearstream Banking, société anonyme, Luxembourg (“**Clearstream, Luxembourg**”) or any other agreed clearing system, as applicable. Payments of principal or interest (if any) on a Permanent Global Note will be made without any requirement for certification. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

(d) The Permanent Global Note will be exchangeable in whole but not in part for Definitive Notes (i) if Euroclear and/or Clearstream, Luxembourg or any other agreed clearing system, as applicable, has informed the Issuer that it has or they have, as the case may be, ceased or will cease to act as the clearing system(s) in respect of the relevant Permanent Global Note or, (ii) if any of the events referred to in Condition 7 takes place, unless such event is remedied within seven days of its occurrence, or (iii) if so specified in the relevant Final Terms at any time at the request of the Holder of the relevant Permanent Global Note. In order to make such request the Holder must, not less than forty-five days before the date on which delivery of Definitive Notes is required, deposit the relevant Permanent Global Note with the Issuing and Paying Agent at its specified office for the purposes of the Notes with the form of exchange notice endorsed thereon duly completed. In the event that the relevant Permanent Global Note is not, in the case of (i) or (ii) above, duly exchanged for Definitive Notes or, in the case of (iii) above, duly exchanged for Definitive Notes by 6:00 p.m. (London time) on the thirtieth day after the time at which the preconditions to such exchange are first satisfied then the terms of such Permanent Global Note provide for relevant account holders (which, for purposes hereof, shall be deemed to be the Holder of the relevant Note as referred to in Condition 7 below) with Euroclear and Clearstream, Luxembourg and any other agreed clearing system as applicable, to be able to enforce against the Issuer all rights which they would have had if they had been holding Definitive Notes to the relevant value at the time of such event. Payments by the Issuer to the relevant account holders will be considered as payments to the relevant Noteholder and operate as full and final discharge to the Issuer in this respect.

If so specified in the Final Terms, the Notes may be represented upon issue by one or more Permanent Global Notes.

*Swiss Franc Notes will be represented exclusively by a Permanent Global Note which shall be deposited with SIS. The Permanent Global Note will be exchangeable for Definitive Notes only if (i) Euroclear and/or Clearstream, Luxembourg and/or SIS and/or any other agreed clearing system, as applicable, has informed the*

*Issuer that it has or they have, as the case may be, ceased or will cease to act as the clearing system(s) in respect of the Permanent Global Note, or (ii) any of the events referred to in Condition 7 (Events of Default) takes place, unless such event is remedied within seven days of its occurrence but not at the request of the Holder of the Permanent Global Note, or (iii) the principal Swiss paying agent considers, after consultation with the Issuer, the printing of Definitive Notes to be necessary or useful, or (iv) the presentation of Definitive Notes and Coupons is required by Swiss or other applicable laws or regulations in connection with the enforcement of rights of noteholders, or (v) such exchange is required by the Issuer as a result of changes to the tax regime in the United States of America.. Holders of Swiss Franc Notes will not have the right to request delivery of definitive notes.*

(e) Interest-bearing Definitive Notes will, if so specified in the relevant Final Terms, have attached thereto at the time of their initial delivery coupons (“**Coupons**”), presentation of which will be a prerequisite to the payment of interest in certain circumstances specified below. Definitive Notes will be either in K-form (with Coupons) and/or in CF-form (with Coupon sheets). Definitive Notes and Global Notes will be bearer instruments. Notes in K-form may, if applicable, have talons (“**Talons**”) for further Coupons attached, but will not be issued with receipts (“**Receipts**”) attached. Notes in CF-form will have neither Talons nor Receipts attached on issue and will be governed by the rules of the ‘*Algemeen Obligatiekantoor van het Centrum voor Fondsenadministratie B.V.*’ in Amsterdam. References in these Terms and Conditions to “**Coupons**” will include references to “**Coupon Sheets**”.

(f) Notes will be in the denomination or denominations (each of which denominations must be integrally divisible by each smaller denomination) specified in the relevant Final Terms (“**Specified Denomination**”). Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Notes of one denomination will not be exchangeable after their initial delivery for Notes of any other denomination.

(g) Notes may be denominated in any currency (including, without limitation, the Australian Dollar, the Euro, the Japanese Yen, the New Zealand Dollar, the Pound Sterling, the Swiss Franc and the United States Dollar) subject to compliance with all applicable legal or regulatory requirements.

(h) For the purposes of these Terms and Conditions, references to Notes shall, as the context may require, be deemed to be to Temporary Global Notes, Permanent Global Notes, interests in Temporary Global Notes, interests in Permanent Global Notes or, as the case may be, Definitive Notes.

## **2. TITLE**

(a) Subject as set out below, title to Notes and Coupons passes inter alia by delivery. References herein to the “**Holders**” of Notes or of Coupons or “**Noteholders**” or “**Couponholders**” signify the bearers of such Notes or such Coupons.

(b) The Holder of any Note or Coupon will (except as otherwise required or allowed by applicable law, stock exchange regulation or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder.

## **3. STATUS**

The Notes of each Series constitute direct and unsecured obligations of the Issuer and rank pari passu without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory operation of law.

## **4. NEGATIVE PLEDGE**

So long as any Notes remain outstanding the Issuer will not secure any other loan or indebtedness represented by bonds, notes or any other publicly issued debt securities which are, or are capable of being, traded or listed on any stock exchange or over-the-counter or similar securities market without securing the Notes equally and rateably with such other loan or indebtedness.

## 5. INTEREST

Notes may be interest-bearing or non-interest-bearing, as specified in the relevant Final Terms. The Final Terms in relation to each Series of interest-bearing Notes shall specify which one (and one only) of Conditions 5A, 5B, 5C, 5D or 5E shall be applicable, provided that Condition 5F will be applicable as specified therein and save to the extent inconsistent with the relevant Final Terms.

### 5A. Interest Rate – Fixed Rate

Notes in relation to which this Condition 5A is specified in the relevant Final Terms as being applicable shall bear interest from their Issue Date (as specified in the relevant Final Terms) at the rate or rates per annum specified in the relevant Final Terms. Such interest will be payable in arrear on each Interest Payment Date as specified in the relevant Final Terms and on the date of final maturity thereof. Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the redemption amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Issuing and Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

*Fixed Coupon Amount:* The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Calculation Amount.

*Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount in respect of such Note, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a “sub-unit” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

### 5B. Interest Rate on Floating Rate Notes, Index Linked Notes, Inflation Linked Notes, and Fund Linked Notes

5B.(1) Interest on Floating Rate Notes, Index Linked Notes, Inflation Linked Notes and Fund Linked Notes in relation to which this Condition 5B is specified in the relevant Final Terms as being applicable shall bear interest at the rates per annum determined in accordance with this Condition 5B.

5B.(2) Such Notes shall bear interest from their Issue Date (as specified in the relevant Final Terms). Such interest will be payable on each Interest Payment Date. Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the redemption amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Issuing and Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

5B.(3) The Final Terms in relation to each Series of Notes in relation to which this Condition 5B is specified as being applicable shall specify which page (the “**Relevant Screen Page**”) on the Reuters Screen or Telerate or any other information vending service shall be applicable. For these purposes, “**Reuters Screen**” means the Reuter Money Market Rates Services and “**Telerate**” means the Bridge’s Telerate Service (or such other service as may be nominated as the information vendor for the purpose of displaying comparable rates in succession thereto).

5B.(4) The rate of interest (the “**Rate of Interest**”) applicable to such Notes for each Interest Period shall be determined by the Issuing and Paying Agent on the following basis:



- (i) the Issuing and Paying Agent will determine the rate for deposits (or, as the case may require, the arithmetic mean (rounded, if necessary, to the nearest ten thousandths of a percentage point, 0.00005 being rounded upwards) of the rates for deposits) in the relevant currency for a period of the duration of the relevant Interest Period on the Relevant Screen Page as of 11:00 am (London time) on the second day on which commercial banks are open for general business in London (a “**London Banking Day**”) (or, in the case of Notes denominated in Euro as of 11:00 am (Brussels time), on the second TARGET Business Day (as defined in Condition 9)) before (or, in the case of Notes denominated in Pounds Sterling, on) the first day of the relevant Interest Period (the “**Interest Determination Date**”);
- (ii) if no such rate for deposits so appears and there is no designated successor screen page on which such rate or any successor rate appears (or, as the case may require, if fewer than two such rates for deposits so appear), the Issuing and Paying Agent will request appropriate quotations and will determine the arithmetic mean (rounded as aforesaid) of the rates at which deposits in the relevant currency are offered by four major banks in the London interbank market, or otherwise as set out in the relevant Final Terms selected by the Issuing and Paying Agent and agreed with the Issuer at approximately 11:00 am (London time) on the Interest Determination Date to prime banks in the London interbank market or otherwise as set out in the relevant Final Terms for a period of the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time; and
- (iii) if fewer than two rates are so quoted, the Issuing and Paying Agent will determine the arithmetic mean (rounded as aforesaid) of the rates quoted by major banks in the Relevant Financial Centre (as defined in Condition 9), selected by the Issuing and Paying Agent and agreed with the Issuer at approximately 11:00 am (Relevant Financial Centre time) on the first day of the relevant Interest Period for loans in the relevant currency to leading European banks or otherwise as set out in the relevant Final Terms for a period of the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time,

and the Rate of Interest applicable to such Notes during each Interest Period will be the sum of the relevant margin (the “**Relevant Margin**”) specified in the relevant Final Terms and the rate (or, as the case may be, the arithmetic mean (rounded as aforesaid)) so determined (the “**Floating Rate**”) provided that, if the Issuing and Paying Agent is unable to determine a rate (or, as the case may be, an arithmetic mean) in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to such Notes during such Interest Period will be the sum of the Relevant Margin and the rate (or, as the case may be, the arithmetic mean (rounded as aforesaid)) last determined in relation to such Notes in respect of the preceding Interest Period.

5B.(5) The Issuing and Paying Agent will, as soon as practicable after determining the Rate of Interest in relation to each Interest Period, calculate the amount of interest (the “**Interest Amount**”) payable in respect of the Calculation Amount in respect of such Notes specified in the relevant Final Terms for the relevant Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to such Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a “**sub-unit**” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

## **5C. Interest on Dual Currency Interest Notes**

In the case of Dual Currency Interest Notes, if the rate or amount of interest falls to be determined by reference to an exchange rate, the rate or amount of interest payable shall be determined in the manner specified in the applicable Final Terms.

## **5D. Interest Rate – Swap-Related (ISDA)**

5D.(1) Notes in relation to which this Condition 5D is specified in the relevant Final Terms as being applicable shall bear interest at the rates per annum determined in accordance with this Condition 5D.

5D.(2) Each such Note shall bear interest from its Issue Date (as specified in the relevant Final Terms). Such interest will be payable on such dates and in such amounts as would have been payable (regardless of any event of default or termination event thereunder) by the Issuer had it entered into a swap transaction (to which a

1992 or 2002 ISDA Master Agreement and the 2000 or 2006 ISDA Definitions (as amended and supplemented from time to time), each as published by the International Swaps and Derivatives Association, Inc., applied) with the Holder of such Notes under which:

- the Issuer was the Fixed Rate Payer or, as the case may be, the Floating Rate Payer;
- the Issuing and Paying Agent was the Calculation Agent (or such other agent specified in the relevant Final Terms);
- the Effective Date was such date of issue;
- the principal amount of such Note was the Calculation Amount; and
- all other terms were as specified in the relevant Final Terms.

#### **5E. Interest – Other Rates**

Notes in relation to which this Condition 5E is specified in the relevant Final Terms as being applicable shall bear interest at the rates per annum and payable in the amounts and in the manner determined in accordance with the relevant Final Terms. In particular, in the case of Notes denominated in Euro, if the Floating Rate basis is to be “EURIBOR” rather than “LIBOR”, the relevant provisions must be set out in full in the relevant Final Terms.

#### **5F. Interest – Supplemental Provision and Notification of Rates of Interest, Interest Amounts and Interest Payment Dates**

*5F.(1)* Condition 5F.(2) shall be applicable in relation to Notes in relation to which Condition 5B is specified in the relevant Final Terms as being applicable and Condition 5F.(3) shall be applicable in relation to all interest-bearing Notes.

*5F.(2)* The Issuing and Paying Agent (or such other agent as may be specified for the purpose in the relevant Final Terms) will cause each Rate of Interest, Floating Rate, Interest Payment Date, final day of a Calculation Period, Interest Amount or Floating Amount, as the case may be, determined by it to be notified to the other Paying Agents (from whose respective specified offices such information will be available) as soon as practicable after such determination, but in any event not later than the fourth London Banking Day thereafter and, in the case of Notes admitted to listing on the Luxembourg Stock Exchange and/or Euronext Amsterdam, cause each such Rate of Interest, Floating Rate, Interest Amount or Floating Amount, as the case may be, to be notified to the Luxembourg Stock Exchange and/or Euronext Amsterdam N.V., as the case may be. The Issuing and Paying Agent will be entitled to amend any Interest Amount, Floating Amount, Interest Payment Date or last day of a Calculation Period (or to make appropriate alternative arrangements by way of adjustment) without notice in the event of the extension or abbreviation of the relevant Interest Period or Calculation Period. If the Calculation Amount is less than the minimum Specified Denomination, the Issuing and Paying Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

*5F.(3)* The determination by the Issuing and Paying Agent (or such other agent as may be specified for the purpose in the relevant Final Terms) of all rates of interest and amounts of interest for the purposes of this Condition 5 shall, in the absence of manifest error, be final and binding on all parties.

*5F.(4)* In relation to Notes in relation to which Condition 5F.(2) shall not be specified as being applicable in the relevant Final Terms and in respect of which payments are to be made by reference to a variable rate of interest or by reference to an index or in any case where interest payable in respect of Notes may vary in accordance with a formula or formulae, then the relevant Final Terms shall specify an agent for the purposes of the calculation of such rates of interest and the notification of such rates to all appropriate parties.

#### **5G.(5) Definitions**

In this Condition 5 the following expressions have the following meanings:

“Additional Business Centre(s)” means the city or cities specified as such in the relevant Final Terms;

“**Business Day**” means:

- (i) in relation to any sum payable in euro, a TARGET Business Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and
- (ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in the Relevant Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

“**Business Day Convention**”, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

“**Calculation Amount**” (other than in relation to Condition 5D.(2)) has the meaning given in the Final Terms.

- (i) “**Following Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) “**Modified Following Business Day Convention**” or “**Modified Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) “**Preceding Business Day Convention**” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) “**FRN Convention**”, “**Floating Rate Convention**” or “**Eurodollar Convention**” means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred *provided, however, that*:
  - (A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
  - (C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (v) “**No Adjustment**” means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (the “**Calculation Period**”), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (i) if “**Actual/Actual (ICMA)**” is so specified, means:
  - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (b) where the Calculation Period is longer than one Regular Period, the sum of:
    - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

- (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (ii) if “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (v) if “**30/360**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (vi) if “**30E/360**” or “**Eurobond Basis**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30; and

- (vii) if “**30E/360 (ISDA)**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D<sub>2</sub>** will be 30;

“**Fixed Coupon Amount**” has the meaning given in the relevant Final Terms;

“**Interest Commencement Date**” means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

“**Interest Payment Date**” means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (i) (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

“**Interest Period**” means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

“**Issue Date**” has the meaning given in the relevant Final Terms;

“**Regular Period**” means:

- (i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and

- (iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

“**Specified Currency**” has the meaning given in the relevant Final Terms; and

“**Specified Period**” has the meaning given in the relevant Final Terms.

## **6. REDEMPTION AND PURCHASE**

### **(a) Redemption at Maturity**

Unless previously redeemed, or purchased and cancelled as specified below, Notes shall be redeemed by the Issuer at their Final Redemption Amount as may be specified in the relevant Final Terms on the date or dates (or, in the case of Notes which bear interest at a floating rate of interest, on the date or dates upon which interest is payable) specified in the relevant Final Terms.

### **(b) Early Redemption for Taxation Reasons**

If, in relation to any Series of Notes and as a result of any change in or amendment to applicable law (which change or amendment occurs after the date of issue of such Notes or any earlier date specified in the relevant Final Terms), the Issuer determines that it would, on the occasion of the next payment in respect of such Notes, be required to pay additional amounts in accordance with Condition 8 and that such obligation is not avoidable by the taking of reasonable measures available to the Issuer, then the Issuer may, upon the expiry of the appropriate notice, redeem all (but not some only) of the Notes comprising the relevant Series at their Final Redemption Amount as may be specified in the relevant Final Terms), together with accrued interest (if any) thereon.

### **(c) Optional Early Redemption (Call)**

If this Condition 6(c) is specified in the relevant Final Terms as being applicable, then the Issuer may, upon the expiry of the appropriate notice and subject to such conditions as may be specified in the relevant Final Terms, redeem all (but not, unless and to the extent that the relevant Final Terms specifies otherwise, some only), of the Notes of the relevant Series.

### **(d) The Appropriate Notice**

The appropriate notice referred to in Conditions 6(b) and 6(c) is a notice given by the Issuer to the Issuing and Paying Agent and the Holders of the Notes of the relevant Series (in accordance with Condition 14(a)), which notice shall be signed by one member of the Executive Board of the Issuer and shall specify:

- the Series of Notes subject to redemption;
- whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes of the relevant Series which are to be redeemed;
- the due date for such redemption, which shall be a Business Day which is not less than thirty days (or such lesser period as may be specified in the relevant Final Terms) after the date on which such notice is validly given, which is (in the case of a redemption pursuant to Condition 6(b)) not earlier than sixty days before the earliest date on which the Issuer would (if a payment were then to be made in respect of such Notes) be obliged to pay additional amounts in accordance with Condition 8, and which is (in the case of Notes which bear interest at a floating rate) a date upon which interest is payable;
- (in the case of a redemption pursuant to Condition 6(b)) the circumstances giving rise to the Issuer’s entitlement to effect such redemption in accordance with Condition 6(b); and
- (in the case of a redemption pursuant to Condition 6(b)) that a named firm of lawyers in the applicable jurisdiction of recognised standing has given an opinion (a copy of which is attached to the notice) to the effect that the Issuer would, on the occasion of the next payment in respect of such Notes, be obliged to pay additional amounts in accordance with Condition 8.

Any such notice shall be irrevocable, and the delivery thereof shall oblige the Issuer to make the redemption therein specified.

**(e) Partial Redemption**

If some only of the Notes of a Series are to be redeemed in part only on any date in accordance with Condition 6(c), the Notes to be redeemed shall be drawn by lot in such European city as the Issuing and Paying Agent may specify, or identified in such other manner or in such other place as the Issuing and Paying Agent may approve and deem appropriate and fair, subject always to compliance with all applicable laws and the requirements of any stock exchange on which the relevant Notes may be listed.

**(f) Optional Early Redemption (Put)**

If this Condition 6(f) is specified in the relevant Final Terms as being applicable, then the Issuer shall, upon the exercise of the relevant option by the Holder of any Note of the relevant Series, redeem such Note on the date or the next of the dates specified in the relevant Final Terms, at its principal amount (or such other redemption amount as may be specified in the relevant Final Terms), together with accrued interest (if any) thereon. In order to exercise such option, the Holder must, not less than forty-five days before the date so specified (or such other period as may be specified in the relevant Final Terms), deposit the relevant Note (together, in the case of an interest-bearing Definitive Note, with any unmatured Coupons appertaining thereto) with any Paying Agent, together with a duly completed redemption notice in the form which is available from the specified office of any of the Paying Agents or, in the case of a Permanent Global Note, with the form of redemption notice endorsed thereon duly completed.

**(g) Purchase of Notes**

The Issuer may at any time purchase Notes in the open market or otherwise and at any price, provided that, in the case of interest-bearing Definitive Notes, any unmatured Coupons appertaining thereto are purchased therewith. Notes so purchased by the Issuer may be held or resold or surrendered for cancellation.

**(h) Cancellation of Redeemed Notes**

All unmatured Notes redeemed in accordance with this Condition 6 and, in the case of interest-bearing Definitive Notes, any unmatured Coupons attached thereto or surrendered therewith will be cancelled and may not be reissued or resold.

**7. EVENTS OF DEFAULT**

The Holder of any Note may give written notice to the Issuing and Paying Agent that such Note is, and such Note shall accordingly immediately become, without further notice being required, save as indicated in (ii) below, due and repayable at its principal amount, together with interest accrued to the date of repayment (or, in the case of a Note which is not interest-bearing, at such other amount as may be specified in the relevant Final Terms), upon the occurrence of any of the following events (“**Events of Default**”) unless, prior to the giving of such notice, all Events of Default shall have been cured or otherwise made good:

- (i) if default is made in the payment of any interest due on the Notes or any of them and such default continues for a period of 30 days; or
- (ii) if the Issuer fails to perform or observe any of its other obligations under the Notes and (except where such failure is incapable of remedy, when no such notice will be required) such failure continues for a period of 60 days next following the service on the Issuer of notice requiring the same to be remedied; or
- (iii) if any order shall be made by a competent court or other authority or resolution passed for the dissolution or winding-up of the Issuer or for the appointment of a liquidator or receiver of the Issuer or of all or substantially all of its respective assets or if the Issuer enters into a composition with its creditors or becomes subject to special measures (*‘bijzondere voorzieningen’*) in the interests of all creditors as referred to in Part 3.5.5 of the Dutch Financial Supervision Act (*‘Wet op het financieel toezicht’*, “**DFSA**”) as amended, modified or re-enacted from time to time, admits in writing that it cannot pay its debts generally as they become due, initiates a proceeding in bankruptcy, or is adjudicated bankrupt.

**8. TAXATION**

- (a) All amounts payable (whether in respect of principal, redemption amount, interest or otherwise), in respect of the Notes, will be made free and clear of and without withholding or deduction for or on account of any

present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of The Netherlands or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or 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 the Holders after such withholding or deduction shall equal the respective amounts which would have been receivable in the absence of such withholding or deductions, except that no such additional amounts shall be payable in respect of payment in respect of any Note or Coupon presented for payment:

- (i) by or on behalf of a Holder who is liable to such taxes, duties, assessments or charges in respect of such Note or Coupon by reason of his having some connection with The Netherlands other than the mere holding of the Note or Coupon; or
- (ii) by or on behalf of a Holder to the extent that he would not be liable or subject to such withholding or deduction by making a declaration of non-residence or other similar claim for exemption or reduction as foreseen in the laws of The Netherlands or in the relevant treaties for the avoidance of double taxation to the relevant tax authorities; or
- (iii) more than 30 days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts on presenting the same for payment on the expiry of such period of 30 days; or
- (iv) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive, including, but not limited to, any law or measure similar to the requirements set forth in the European Council Directive 2003/48/EC as adopted by Switzerland in relation with this Directive; or
- (v) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a member state of the EU.

(b) For the purposes of these Terms and Conditions, the “**Relevant Date**” means the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Issuing and Paying Agent on or prior to such due date, it means the first date on which the full amount of such moneys has been so received and notice to that effect shall have been duly given to the Holders of the Notes of the relevant Series in accordance with Condition 14.

(c) Any reference in these Terms and Conditions to principal and/or interest in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 8 or any undertaking given in addition thereto or in substitution therefor.

(d) The relevant Final Terms may set forth certain additional tax consequences to Holders of Notes of a particular Series.

## **9. PAYMENTS**

(a) Payment of amounts (including accrued interest) due on the redemption of Notes (other than Definitive Notes in CF-form) will be made against presentation and, save in the case of a partial redemption by reason of insufficiency of funds, surrender of the relevant Notes at the specified office of any of the Paying Agents.

Payments of principal in respect of Definitive Notes in CF-form will be made through the Paying Agent(s) as specified in the relevant Final Terms against surrender of Definitive Notes in CF-form together with the Coupon Sheet attached.

(b) Payment of amounts due in respect of interest on Notes will be made:

- (i) in the case of a Temporary Global Note or Permanent Global Note, against presentation of the relevant Temporary Global Note or Permanent Global Note at the specified office of any of the Paying Agents



outside the United States and, in the case of a Temporary Global Note, upon due certification as required therein;

- (ii) in the case of Definitive Notes without Coupons attached thereto at the time of their initial delivery, against presentation of the relevant Definitive Notes at the specified office of any of the Paying Agents outside the United States;
- (iii) in the case of Definitive Notes, other than Definitive Notes in CF-form, delivered with Coupons attached thereto, against surrender of the relevant Coupons at the specified office of any of the Paying Agents outside the United States; and
- (iv) in the case of Definitive Notes in CF-form, in accordance with the agreement concluded between the Issuer and the '*Algemeen Obligatiekantoor van het Centrum voor Fondsenadministratie B.V.*' ("**Obligatiekantoor**") in Amsterdam, under which agreement the Issuer has accepted the rules and regulations of the Obligatiekantoor.

(c) If the due date for payment of any amount due (whether in respect of principal, interest or otherwise) in respect of any Notes is not a Payment Business Day in the place of presentation, then the Holder thereof will not be entitled to payment thereof in such place until the next following such Payment Business Day in such place and no further payment shall be due in respect of such delay save in the event that there is a subsequent failure to pay in accordance with these Terms and Conditions.

(d) Each Definitive Note initially delivered with Coupons attached thereto should be surrendered for final redemption together with all unmatured Coupons appertaining thereto, failing which:

- (i) in the case of Definitive Notes which bear interest at a fixed rate or rates, the amount of any missing unmatured Coupons will be deducted from the amount otherwise payable on such final redemption, the amount so deducted being payable against surrender of the relevant Coupon at the specified office of any of the Paying Agents at any time prior to the fifth anniversary of the due date of such final redemption; and
- (ii) in the case of Definitive Notes which bear interest at, or at a margin above or below, a floating rate, all unmatured Coupons relating to such Definitive Notes (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them.

(e) Payments of amounts due (whether in respect of principal, interest or otherwise) in respect of Notes will be made by cheque drawn on, or by transfer to, an account maintained by the payee with a bank in the Relevant Financial Centre. Payments will, without prejudice to the provisions of Condition 8, be subject in all cases to any applicable fiscal or other laws and regulations.

For Swiss Franc Notes, payments will be made without taking account of any future transfer restrictions and/or outside any bilateral or multilateral payment or clearing agreement (which for the avoidance of doubt means without regard to any bilateral or multilateral payment or clearing agreement) which may be applicable at the time of such payments.

Payment to the Principal Swiss Paying Agent by the Issuer and the receipt by the Principal Swiss Paying Agent of the due and punctual payment of the funds in Swiss Francs in Switzerland shall release the Issuer of its obligations under the Notes and Coupons for the purposes of principal and interest due on the respective payment dates to the extent of such payments.

Payment of principal and/or interest shall be made in Swiss Francs without collection costs in Switzerland to the Noteholders and/or Couponholders, without any restrictions, whatever the circumstances may be, irrespective of nationality, domicile or residence of the Noteholders and/or Couponholders and without requiring any certification, affidavit or the fulfilment of any other formality.

(f) For the purposes of these Terms and Conditions:

- (i) "**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Final Terms;
- (ii) "**Euro-Zone**" means the region comprised of the countries whose lawful currency is the Euro;

- (iii) **“Payment Business Day”** means:
- (i) if the currency of payment is euro, any day which is:
    - (A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
    - (B) in the case of payment by transfer to an account, a TARGET Business Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
  - (ii) if the currency of payment is not euro, any day which is:
    - (A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
    - (B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Relevant Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;
- (iv) **“Relevant Financial Centre”** means (unless varied or restated in the relevant Final Terms):
- in relation to Notes denominated in Australian Dollars, Melbourne;
  - in relation to Notes denominated in Japanese Yen, Tokyo;
  - in relation to Notes denominated in New Zealand Dollars, Auckland and Wellington;
  - in relation to Notes denominated in Pounds Sterling, London;
  - in relation to Notes denominated in Swiss Francs, Zürich;
  - in relation to Notes denominated in United States Dollars, New York City;
  - in relation to Notes denominated in Canadian Dollars, Toronto; and
  - in relation to Notes denominated in any other currency, such financial centre or centres as may be specified in relation to the relevant currency and for the purposes of the definition of **“Business Day”** in the 2000 or 2006 ISDA Definitions (as amended and updated from time to time), as published by the International Swaps and Derivatives Association, Inc.;
- (v) **“TARGET2”** means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007; and
- (vi) **“TARGET Business Day”** means a day on which TARGET2 is operating, and, in all cases, as the same may be modified in the relevant Final Terms.
- (g) Notes denominated in the currency of a member state of the European Union in relation to which this Condition 9(g) is specified in the relevant Final Terms as being applicable shall, be redenominated into Euro in accordance with this Condition 9(g).
- (i) Notwithstanding the provisions of Condition 13, the Issuer may, without the consent of the Holders of Notes or Coupons, on giving at least 30 days’ prior notice to the Holders of Notes and Coupons in accordance with Condition 14, designate a Redenomination Date with respect to a Series of Notes.

With effect from the Redenomination Date:

- (a) each Note and, in the case of a Note bearing interest at a fixed rate (hereafter, a **“Fixed Rate Note”**) each amount of interest specified in the Coupons, shall (unless already so provided by mandatory provisions of

applicable law) be deemed to be redenominated into such amount of Euro as is equivalent to its denomination in the relevant currency (as specified in the Final Terms) converted into Euro at the fixed rate for conversion of the relevant currency into Euro established by the Council of the European Union pursuant to Article 123(4) of the Treaty (as defined below) (including compliance with rules relating to roundings in accordance with European Union regulations);

- (b) all payments in respect of the Notes, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in Euro, as though references in the Notes to the relevant currency were to Euro. Such payments will be made in Euro by cheque drawn on or by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee;
- (c) the Issuer may elect that the Notes shall be exchangeable for Notes expressed to be denominated in Euro in accordance with such arrangements as the Issuer may decide, after consultation with the Issuing and Paying Agent, and as may be specified in the notice, including arrangements under which Coupons unmatured at the date so specified become void and replaced by new Coupons;
- (d) if the Notes are Fixed Rate Notes and interest is required to be calculated for a period of less than one year, it will, if the Issuer so decides, be calculated on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed fall in a leap year, the sum of (A) the number of those days falling in a leap year divided by 366 and (B) the number of those days falling in a non-leap year divided by 365);
- (e) if the Notes are Floating Rate Notes, Index Linked Notes, Inflation Linked Notes and Fund Linked Notes, any applicable changes to the provisions relating to interest will be specified in the Final Terms; and
- (f) such other changes will be made to the Terms and Conditions of the Notes as the Issuer may decide, after consultation with the Issuing and Paying Agent, to conform such Notes to market conventions then applicable to instruments denominated in Euro including, without limitation, amending the definition of **“Business Day”** to be a day on which TARGET2 is operating and a day on which commercial banks and foreign exchange markets settle payments in Euro in the place of presentation instead of a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in London and in the relevant currency in the Relevant Financial Centre. Any such changes will not take effect until they have been notified to the Holders of Notes and Coupons and any relevant stock exchange(s) on which the Notes are listed in accordance with Condition 14.

As used in these Terms and Conditions:

**“Redenomination Date”** means a date which:

- (a) in relation to interest-bearing Notes, shall be an Interest Payment Date;
- (b) is specified by the Issuer in the notice given to the Holders pursuant to this Condition 9(g); and
- (c) falls on or after the date on which the country of the relevant currency participates in the third stage of European Economic and Monetary Union; and

**“Treaty”** means the Treaty establishing the European Community, as amended,

and, in all cases, as the same may be modified in the relevant Final Terms.

- (g) Condition 9(g) notwithstanding, Notes issued in the national currency of one of the countries of the Euro-Zone may be redenominated by the Issuer in Euro without the consent of the Holders in accordance with and subject to The Netherlands Act on Redenomination of 26 November 1998 (*‘Wet schuldredenominatie’*)
- (ii) In connection with any such redenomination as set out in paragraph (i) above, and without prejudice to Condition 15, the Issuer may also from time to time, without the consent of the Holders of Notes or Coupons, consolidate the Notes with one or more issues of other notes (**“Other Notes”**) issued by it, whether or not originally issued in the relevant currency or in Euro, provided that such Other Notes have

been redenominated into Euro (if not originally denominated in Euro) and otherwise have, in respect of all periods subsequent to such consolidation, the same or substantially the same terms and conditions as the Notes, and in all cases as set out in full in the relevant Final Terms.

## **10. PRESCRIPTION**

Notes and Coupons will become void unless presented for payment within five years after the due date for payment.

## **11. THE PAYING AGENTS**

The initial Paying Agents and their respective initial specified offices are specified in the Base Prospectus. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Issuing and Paying Agent) and to appoint additional or other Paying Agents, provided that it will at all times maintain (i) an Issuing and Paying Agent, (ii) a Paying Agent with a specified office in continental Europe, (iii) so long as any Notes are listed on the Luxembourg Stock Exchange, a Paying Agent with a specified office in Luxembourg, (iv) so long as any Notes are listed on Euronext Amsterdam, a Paying Agent with a specified office in Amsterdam and (v) a Paying Agent in a EU member state that will not be 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 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive. The Paying Agents reserve the right at any time to change their respective specified offices to some other specified office in the same city. Notice of all changes in the identities or specified offices of the Paying Agents will be notified promptly to the Holders.

In respect of Swiss Franc Notes, the Issuer will at all times maintain a Swiss paying agent having a specified office in Switzerland.

## **12. REPLACEMENT OF NOTES**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Issuing and Paying Agent, subject to all applicable laws and the requirements of any stock exchange on which the relevant Notes are listed, upon payment by the claimant of all expenses incurred in such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Issuer and the Issuing and Paying Agent may require. Mutilated or defaced Notes and Coupons must be surrendered before replacements will be delivered therefor.

## **13. MEETINGS OF HOLDERS**

The Issuing and Paying Agency Agreement contains provisions, which are binding on the Issuer and the Holders of Notes or Coupons, for convening meetings of the Holders of Notes of any Series to consider matters affecting their interests, including the modification or waiver of the Terms and Conditions applicable to any Series of Notes. Notice specifying the date, time and place of any such meeting shall be given to the Holders of Notes of the relevant Series by or on behalf of the Issuer in accordance with Condition 14.

## **14. NOTICES**

### **(a) To Holders of Notes and Coupons**

Notices to Holders of Notes and Coupons will, save where another means of effective communication has been specified in the relevant Final Terms, be deemed to be validly given if published in a leading daily English language newspaper having general circulation in London (which is expected to be the *'Financial Times'*) or, if such publication is not practicable, if published in a leading English language newspaper having general circulation in Europe or, in the case of a Temporary Global Note or Permanent Global Note, if delivered to Euroclear, Clearstream, Luxembourg and any other agreed clearing system for communication by them to the persons shown in their respective records as having interests therein, provided that, in the case of Notes admitted to listing on the Luxembourg Stock Exchange (for as long as the rules of the Luxembourg Stock Exchange require), all notices regarding a Note listed on the Luxembourg Stock Exchange will be published in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*). Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of first such publication) or, as the case may be, on the second Business Day after the date of such delivery.

For Swiss Franc Notes, notices to Noteholders will be deemed to have been given if published by the Principal Swiss Paying Agent at the expense of the Issuer, (i) by means of electronic publication on the internet website of the SIX Swiss Exchange ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)), or (ii) in a daily newspaper in Zurich (which is expected to be the 'Neue Zürcher Zeitung'), or (iii) otherwise in accordance with the regulations of the SIX Swiss Exchange. Notices shall be deemed to be validly given on the date of such publication or, if published more than once, on the date of the first such publication.

**(b) To the Issuer**

Notices to the Issuer will be deemed to be validly given if delivered at N.V. Bank Nederlandse Gemeenten, Koninginnegracht 2, 2514 AA, The Hague, The Netherlands and clearly marked on their exterior "**Urgent – Attention: TVB Dealing Room**" (or at such other address and for such other attention as may have been notified to the Holders of the Notes in accordance with this Condition 14) and will be deemed to have been validly given at the opening of business on the next day on which the Issuer's principal office is open for business.

**15. FURTHER ISSUES**

The Issuer may from time to time, without the consent of the Holders of Notes or Coupons of, as the case may be, any Series of Notes and Coupons, issue further notes, having terms and conditions the same as those of the Notes, or the same except for the amount of the first payment of interest, which may be consolidated and form a single series with the Notes.

**16. ADDITIONAL OBLIGATIONS**

If Notes have been admitted to listing on Euronext Amsterdam, the Issuer will, as long as the Notes are listed on Euronext Amsterdam, comply with the provisions set forth in the Rule Books of Euronext Amsterdam N.V. or any amended form of the said provisions as in force at the date of the issue of these Notes.

**17. SUBSTITUTION OF THE ISSUER**

(a) The Issuer or any previous substitute of the Issuer under this Condition may at any time be replaced and substituted by any company (incorporated in any country in the world) controlling, controlled by or under common control with the Issuer as the principal debtor in respect of any Series of Notes (any such company, the "**Substituted Debtor**"), provided that:

- (i) such documents shall be executed by the Substituted Debtor and (if the Substituted Debtor is not the Issuer) the Issuer or any previous substitute as aforesaid as may be necessary to give full effect to the substitution (together the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substituted Debtor shall undertake in favour of each Noteholder to be bound by these Conditions and the provisions of the Issuing and Paying Agency Agreement as fully as if the Substituted Debtor had been named in the Notes and the Issuing and Paying Agency Agreement as the principal debtor in respect of the Notes in place of the Issuer or any previous substitute as aforesaid;
- (ii) without prejudice to the generality of sub-paragraph (i) hereof, where the Substituted Debtor is incorporated, domiciled or resident for taxation purposes in a territory other than The Netherlands, or is undertaking its obligations with respect to the Notes through a branch in another such territory, the Documents shall contain a covenant and/or such other provisions as may be necessary to ensure that each Noteholder has the benefit of a covenant in terms corresponding to the provisions of Condition 8 above with the substitution for the references to The Netherlands (or any previously substituted territory as the case may be) with references to the territory or territories in which the Substituted Debtor is incorporated, domiciled and/or resident for taxation purposes;
- (iii) the Documents shall contain a warranty and representation (a) that the Substituted Debtor and the Issuer (or any previous substitute as aforesaid) have obtained all necessary governmental and regulatory approvals and consents for such substitution and for the giving by the Issuer of the Guarantee (as defined below) in respect of the obligations of the Substituted Debtor, that the Substituted Debtor has obtained all necessary governmental and regulatory approvals and consents for the performance by the Substituted Debtor of its obligations under the Documents and that all such approvals and consents are in full force and effect and (b) that the obligations assumed by the Substituted Debtor and any Guarantee (as defined below) given by the Issuer are each valid and binding in accordance with their respective terms and enforceable by each Noteholder; and

(iv) Condition 7 shall be deemed to be amended so that it shall also be an Event of Default under the said Condition if the Guarantee (as defined below) shall cease to be valid or binding on or enforceable against the Issuer; and upon the Documents becoming valid and binding obligations of the Substituted Debtor the Issuer hereby irrevocably and unconditionally guarantees in favour of each Noteholder the payment of all sums payable by the Substituted Debtor as such principal debtor (such guarantee of the Issuer herein referred to as the “**Guarantee**”).

(b) In connection with any substitution effected pursuant to this Condition, neither the Issuer nor the Substituted Debtor need have any regard to the consequences of any such substitution for individual Noteholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and no Noteholder or Couponholder, except as provided in Condition 17(a)(ii), shall be entitled to claim from the Issuer or any Substituted Debtor under the Notes and Coupons any indemnification or payment in respect of any tax or other consequences arising from such substitution.

(c) Upon the Documents becoming valid and binding obligations of the Substituted Debtor and the Issuer (in respect of its provision of the Guarantee) (as “**Guarantor**”) (and upon a legal opinion to that effect being issued by local counsel of recognised standing in the jurisdiction of incorporation of the Substituted Debtor), the Substituted Debtor shall be deemed to be named in the Notes as the principal debtor in place of the Issuer (or any previous substitute under these provisions) and the Notes shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents shall, in the case of the substitution of the Issuer as principal debtor, operate to release the Issuer as issuer and, in the case of the substitution of a Substituted Debtor (if such Substituted Debtor is not the Issuer), operate to release such Substituted Debtor as principal debtor, from all of its obligations as principal debtor in respect of the Notes.

(d) The documents referred to in paragraph (a) above shall be deposited with and held by the Issuing and Paying Agent for so long as any Notes remain outstanding and for so long as any claim made against the Substituted Debtor or (if the Substituted Debtor is not the Issuer) the Issuer by any Noteholder in relation to the Notes or the Documents shall not have been finally adjudicated, settled or discharged. The Substituted Debtor and (if the Substituted Debtor is not the Issuer) the Issuer acknowledge the right of every Noteholder to the production of the Documents for the enforcement of any of the Notes or the Documents.

(e) Not later than 15 Business Days after the execution of the Documents, the Substituted Debtor shall give notice thereof to the Noteholders in accordance with Condition 14.

(f) For the purposes of this Condition 17, the term “**control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether by contract or through the ownership, directly or indirectly, of voting shares in such company which, in the aggregate, entitle the holder thereof to elect a majority of its directors, and includes any company in like relationship to such firstmentioned company, and for this purpose “**voting shares**” means shares in the capital of a company having the right to elect the directors thereof, and “**controlling**”, “**controlled**” and “**under common control**” shall be construed accordingly.

## **18. LAW AND JURISDICTION**

(a) The Notes and the Issuing and Paying Agency Agreement and any non-contractual obligations arising out of or in connection with the Notes and the Issue and Paying Agency Agreement are governed by, and shall be construed in accordance with, the laws of The Netherlands.

(b) The Issuer irrevocably submits, for the exclusive benefit of the Holders of the Notes, to the jurisdiction of the Court (Rechtbank) and its appellate courts at The Hague, The Netherlands.

(c) The Issuer is not entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process and the issue of this Note constitutes, and the performance by the Issuer of its obligations hereunder will constitute, commercial acts done and performed for private and commercial purposes.

(d) For the purposes of Swiss Franc Notes only, in addition to the submission to the jurisdiction to the courts of The Netherlands, the Issuer agrees to the alternative jurisdiction of the Commercial Court of the Canton of Zurich, the place of jurisdiction being Zurich 1, with the right of appeal to the Swiss Federal Court of Justice in Lausanne where the law permits. In connection with the Notes the Issuer designates the Dealer specified in the Final Terms relating to the relevant issue of Notes as its representative for service of judicial documents

pursuant to paragraph 30 of the Rules of Civil Procedure of the Canton of Zurich, and elects legal and special domicile pursuant to article 50 of the Swiss Act on Debt Enforcement and Bankruptcy at the offices of that Dealer specified in the Final Terms. Such Dealer will be required to undertake to transmit to the Issuer as soon as possible any notice received by such Dealer in this connection.

For the purpose of any proceedings brought in Switzerland, Noteholders have the option to be collectively represented (in accordance with all applicable laws and customary practice in Switzerland) and (whether or not collectively represented) have equal status irrespective of their domicile.

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## Use of Proceeds

The net proceeds of the issue of each Series of Notes will be used by the Issuer for general corporate purposes.



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# Form of Final Terms

Form of Final Terms for an issue by N.V. Bank Nederlandse Gemeenten under the Euro 80,000,000,000 Debt Issuance Programme.

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**N.V. BANK NEDERLANDSE GEMEENTEN**  
*(incorporated with limited liability under the  
laws of The Netherlands and having its  
statutory domicile in The Hague)*

Euro 80,000,000,000

Debt Issuance Programme

Series No.: [ ]

*Issue of [Aggregate Nominal Amount of Notes] [Title of Notes] due [day] [month] [year]*

## PRO FORMA FINAL TERMS

[The Notes (as defined herein) will, when and to the extent that the Temporary Global Note (as defined herein) is exchanged for [Definitive Notes/Permanent Global Note] (as defined herein), be consolidated and become fungible and form a single Series with the [full name of original issue] issued by the Issuer on [•] Series No.[•] [and the [full name of any reopenings], which Notes formed the subject matter of a Final Terms dated [•].] <sup>1</sup>

The date of these Final Terms is [date] 200[ ]

<sup>1</sup> *Insert if this is applicable*

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes (as defined below) in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so in:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 45 of Part A below, provided such person is one of the persons mentioned in Paragraph 45 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances]<sup>2</sup>.

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes (as defined below) in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances]<sup>3</sup>

These Final Terms, under which the medium term notes described herein (the "**Notes**") are issued, should be read in conjunction with the Base Prospectus dated 29 July 2009 (the "**Base Prospectus**") issued in relation to the Euro 80,000,000,000 debt issuance programme of N.V. Bank Nederlandse Gemeenten. Terms defined in the Base Prospectus have the same meaning in these Final Terms. [Any reference to the Conditions herein is to the Terms and Conditions set forth in pages 21 to pages 39 of the Base Prospectus.] Together, the Base Prospectus and these Final Terms constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus.

Full information on the Issuer and the Notes described herein is only available on the basis of a combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing, upon the oral or written request of any persons, at the specified offices of the Paying Agent. Copies may be obtained at the specified offices of the Paying Agent.

[Terms used herein shall be deemed to be defined as such in [the terms and conditions as referred to on pages 10 up to and including 25 of the information memorandum of the Issuer relating to Programme, dated 3 December 2003 (the "**2003 Terms and Conditions**") [the terms and conditions as referred to on pages 10 up to and including 25 of the information memorandum of the Issuer relating to Programme, dated 2 December 2004 (the "**2004 Terms and Conditions**") [the terms and conditions as referred to on pages 16 up to and including 31 of the base prospectus of the Issuer relating to the Programme, dated 11 July 2005 (the "**2005 Terms and Conditions**") [the terms and conditions as referred to on pages 16 up to and including 32 of the information memorandum of the Issuer relating to Programme, dated 21 July 2006 (the "**2006 Terms and Conditions**") [the terms and conditions as referred to on pages 20 up to and including 37 of the information memorandum of the Issuer relating to Programme, dated 23 July 2007 (the "**2007 Terms and Conditions**") [the terms and conditions as referred to on pages 21 up to and including 38 of the information memorandum of the Issuer relating to Programme, dated 24 July 2008 (the "**2008 Terms and Conditions**")]] each of which have

<sup>2</sup> Include this legend where a non-exempt offer of Notes is anticipated.

<sup>3</sup> Include this legend where only an exempt offer of Notes is anticipated.

been incorporated by reference in, and form part of the Base Prospectus dated 29 July 2009. These Final Terms contain the final terms of the Notes and must be read in conjunction with the Base Prospectus dated [•], save in respect of the 2003/2004/2005/2006/2007/2008 Terms and Conditions incorporated by reference therein which are attached hereto. Together, the Base Prospectus and these Final Terms constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus.]

These Final Terms do not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation; and no action is being taken to permit an offering of the Notes or the distribution of these Final Terms in any jurisdiction where such action is required.

*[Insert any additions or variations to the selling restrictions]*

In connection with the issue of Notes under the Programme, the Dealer who is specified in the Final Terms as the Stabilising Manager (or any person acting for the Stabilising Manager) in relation to the relevant series of Notes may over-allot Notes or effect transactions with a view to supporting the market price of the Notes of such series at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the Stabilising Manager (or any agent of the Stabilising Manager) to do this. Such stabilising shall be in compliance with all applicable laws, regulations and rules.

*Any stabilisation activity in connection with the Notes listed or to be listed on Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext Amsterdam N.V., will be conducted (on behalf of the Stabilising Manager) by a member of Euronext Amsterdam which shall be [Coöperative Centrale Raiffeisen – Boerenleenbank B.A. (Rabobank International) (“**Rabobank International**”)]<sup>4</sup>. Any loss or profit sustained as a consequence of any such over-allotment or stabilising shall, as against the Issuer, be for the account of the Stabilising Manager.*

<sup>4</sup> Or any other member of Euronext Amsterdam N.V.

**PART A – CONTRACTUAL TERMS**

The terms of the Notes are as follows:

1. (i) Issuer: [•]
2. [(i) Series Number:] [•]  
 [(ii) Tranche Number:] [•]  
 (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).]
3. Specified Currency or Currencies: [•]
4. Aggregate Nominal Amount: [•]  
 [(i)] [Series]: [•]  
 [(ii) Tranche: [•]]
5. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (*in the case of fungible issues only, if applicable*)]
6. (i) Specified Form and Denominations: [•]  
 (ii) Calculation Amount: [•]
7. (i) Issue Date: [•]  
 (ii) Interest Commencement Date: [Specify/Issue Date/Not Applicable]
8. Maturity Date: *[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]*  
 Interest Basis: [•] per cent. Fixed Rate]  
 [[Specify reference rate] +/- [•] per cent. Floating Rate]  
 [Zero Coupon]  
 [Index Linked Interest]  
 [Other (Specify)]  
 (further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]  
 [Index Linked Redemption]  
 [Dual Currency]  
 [Other (Specify)]
11. Change of Interest or Redemption/Payment Basis: *[Specify details of any provision for convertibility of Notes into another interest or redemption/ payment basis]*
12. Put/Call Options: [Investor Put]  
 [Issuer Call]  
 [(further particulars specified below)]

13. Date [Board] approval for issuance of Notes obtained: [•]  
*(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*

14. Method of distribution: [Syndicated/Non-syndicated]

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

15. **Fixed Rate Note Provisions (Condition 5A)** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Rate[(s)] of Interest: [•] per cent. per annum [payable [annually/semi-annually/quarterly/ monthly/other (*specify*)] in arrear]

(ii) Interest Payment Date(s): [•] in each year [adjusted in accordance with *[specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]*/not adjusted]

(iii) Fixed Coupon Amount[(s)]: [•] per Calculation Amount

(iv) Broken Amount(s): [•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]

(v) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) / other]

(vi) [Determination Dates: [•] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*)]

(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]

16. **Floating Rate Note Provisions (Condition 5B)** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Interest Period(s): [•]

(ii) Specified Period: [•]  
*(Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")*

(iii) Specified Interest Payment Dates: [•]  
*(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")*

- (iv) [First Interest Payment Date]: [•]
- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (*give details*)]
- (vi) Additional Business Centre(s): [Not Applicable/*give details*]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (*give details*)]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Issuing and Paying Agent]): [[*Name*] shall be the Calculation Agent (*no need to specify if the Fiscal Agent is to perform this function*)]
- (ix) Screen Rate Determination:
- Reference Rate: [*For example, LIBOR or EURIBOR*]
  - Interest Determination Date(s): [•]
  - Relevant Screen Page: [*For example, Reuters LIBOR 01/ EURIBOR 01*]
  - Relevant Financial Centre: [•]
- (x) ISDA Determination:
- Floating Rate Option: [•]
  - Designated Maturity: [•]
  - Reset Date: [•]
- (xi) Relevant Margin (if any): [+/-][ ] per cent. per annum
- (xii) Minimum Rate of Interest: [•] per cent. per annum
- (xiii) Maximum Rate of Interest: [•] per cent. per annum
- (xiv) Day Count Fraction: [•]
- (xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [•]
17. **Zero Coupon Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) [Amortisation/Accrual] Yield: [•] per cent. per annum
  - (ii) Reference Price: [•]
  - (iii) Any other formula/basis of determining amount payable: [•]

18. **Index-Linked Interest Note/other variable-linked interest Note Provisions (Condition 5B)** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Index/Formula/other variable: [give or annex details]
- (ii) Calculation Agent responsible for calculating the interest due: [•]
- (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: [•]
- (iv) Interest Determination Date(s): [•]
- (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [•]
- (vi) Interest or calculation period(s): [•]
- (vii) Specified Period: [•]  
*(Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")*
- (viii) Specified Interest Payment Dates: [•]  
*(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")*
- (ix) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (x) Additional Business Centre(s) : [•]
- (xi) Minimum Rate/Amount of Interest: [•] per cent. per annum
- (xii) Maximum Rate/Amount of Interest: [•] per cent. per annum
- (xiii) Day Count Fraction: [•]
19. **Dual Currency Note Provisions (Condition 5C)** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due: [•]

(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [•]

(iv) Person at whose option Specified Currency(ies) is/are payable: [•]

**20. Swap Related Note Provisions (Condition 5D)**

21 Relevant swap terms: [Not Applicable/[•]]. [If applicable, specify applicable provisions where calculation by reference to swap transaction is impossible or impracticable or otherwise disrupted]

**22. Provisions for other Notes (Condition 5E)**

Relevant interest provisions (including determination of dates and periods, calculation of rates and amounts (e.g. EURIBOR determination), maximum/ minimum rates etc.): [Not Applicable/[•]].

**PROVISIONS RELATING TO REDEMPTION**

23. **Call Option** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Optional Redemption Date(s): [•]

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount

(iii) If redeemable in part:

(a) Minimum Redemption Amount: [•] per Calculation Amount

(b) Maximum Redemption Amount [•] per Calculation Amount

(iv) Notice period: [•]

24. **Put Option** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Optional Redemption Date(s): [•]

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount

(iii) Notice period: [•]

25. **Final Redemption Amount of each Note** [•] per Calculation Amount

In cases where the Final Redemption Amount is Index-Linked or other variable-linked:

(i) Index/Formula/variable: [give or annex details]



- (ii) Calculation Agent responsible for calculating the Final Redemption Amount: [•]
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [•]
- (iv) Date for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable: [•]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [•]
- (vi) [Payment Date]: [•]
- (vii) Minimum Final Redemption Amount: [•] per Calculation Amount
- (viii) Maximum Final Redemption Amount: [•] per Calculation Amount
- 26. In the case of Definitive Notes in CF-Form [Not Applicable/ [•]].
- 27. In the case of non-interest bearing Notes, redemption amount on Event of Default: [Not Applicable/ [•]].
- 28. Special tax consequences (if any): [Not Applicable/ [•]].
- 29. Modification of definition of "Relevant Financial Centre" (if applicable): [Not Applicable. Condition 9(f)(iv) applies/ [•]].
- 30. **Early Redemption Amount** [Not Applicable/ [•]]  
 Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- 31. **Form of Notes:** **Bearer Notes:**
- 32. Temporary Global Note exchangeable for Definitive Notes: [No.]/[Yes/ The Notes will initially be represented upon issue by a temporary global note (the “**Temporary Global Note**”) in bearer form without interest coupons attached, which will be exchangeable on or after the exchange date which is expected to be, but shall not be earlier than 40 days after the Issue Date, in accordance with the terms thereof, for definitive notes (“**Definitive Notes**”), upon certification as to non-U.S. beneficial ownership.]
- 33. Temporary Global Note exchangeable for Permanent Global Note: [No.]/[Yes/ The Notes will initially be represented upon issue by a temporary global note (the “**Temporary Global Note**”) in bearer form without interest coupons attached, which will be exchangeable upon certification as to

non-U.S. beneficial ownership not earlier than 40 days after the Issue Date in accordance with the terms thereof, for interests in a permanent global note (the “**Permanent Global Note**”). The Permanent Global Note will be exchangeable for definitive notes (“**Definitive Notes**”) but only as set out in Condition 1(d)(i) and 1(d)(ii).

[Where a Global Note is to be cleared through Euroclear, Clearstream Luxembourg or any other relevant clearing system and is exchangeable for Definitive Notes at any time or where Definitive Notes will definitely be issued, the Notes may only be issued in such denominations as Euroclear, Clearstream Luxembourg or any such other relevant clearing system will permit at that time. In particular, the Notes may not have denominations that include integral multiples of an amount if such amount is not divisible by the minimum denomination of such Notes.]

34. Permanent Global Note exchangeable for Definitive Notes:

[No.]/[Yes, but only as set out in Condition 1(d)(i) and (ii) [and 1(d)(iii)].]<sup>1</sup>

[The Notes will be in bearer form and will be represented by a Permanent Global SIS Note (the “**Permanent Global SIS Note**”) in substantially the form set forth in the schedule to the supplemental issuing and paying agency agreement dated [date] between the Issuer and the Swiss Paying Agent mentioned in paragraph q (v) of Part B below (the “**Supplemental Issuing and Paying Agency Agreement**”). The Notes will be deposited with SIS and will document the right to receive the principal and interest thereon and all other rights and obligations in connection therewith. The Permanent Global SIS Note shall be exchangeable for Definitive Notes with Coupons attached if (i) Euroclear and/or Clearstream, Luxembourg and/or SIS and/or any other agreed clearing system, as applicable, has informed the Issuer that it has or they have, as the case may be, ceased or will cease to act as the clearing system(s) in respect of the Permanent Global Note, or (ii) any of the events referred to in Condition 7 (*Events of Default*) takes place, unless such event is remedied within seven days of its occurrence but not at the request of the Holder of the Permanent Global Note, or (iii) the principal Swiss paying agent considers, after consultation with the Issuer, the printing of Definitive Notes to be necessary or useful, or (iv) the presentation of Definitive Notes and Coupons is required by

<sup>1</sup> Please delete depending on whether Notes are going into Permanent Global form or straight into definitive form.

Swiss or other applicable laws or regulations in connection with the enforcement of rights of noteholders, or (v) such exchange is required by the Issuer as a result of changes to the tax regime in the United States of America.

Definitive Notes will be duly issued and printed in accordance with the rules and regulations of SIX SIS AG, the Conditions, the provisions hereof and the Issuing and Paying Agency Agreement dated 7 December 1993, as amended and restated on 29 July 2009 as supplemented by the Supplemental Issuing and Paying Agency Agreement. The Issuer will reproduce on any Definitive Notes the signatures deposited with the Principal Swiss Paying Agent. Should Definitive Notes and Coupons be printed, the Principal Swiss Paying Agent will then arrange for the exchange of the Permanent Global Note deposited with SIX SIS AG against delivery of the Definitive Notes and Coupons and thereupon will arrange for the cancellation of the Permanent Global Note and its return to the Issuer.]<sup>2</sup>

35. New Global Note: [Yes]/[No]<sup>3</sup>
36. Additional Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/give details.  
*Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub paragraphs 15(ii), 16(iii) and 18(viii) relate*]
37. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
38. Alternative means of effective communication (if any): [Not Applicable/ [•]].
39. Redenomination, renominalisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 9(g)] apply]
40. Consolidation provisions: [Not Applicable/The provisions [in Condition 9(g)(ii)] apply]
41. Other final terms, or variations to the Terms and Conditions:  
(including whether Condition 9(g)(i) (*Redenomination*) is applicable for Notes denominated in the currency of a member state not yet participating in Euro) [Not Applicable/*give details*]  
*[(When adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

<sup>2</sup> For Swiss Franc Notes.

<sup>3</sup> Specify “**Not Applicable**” if the Notes being issued are Classic Global Notes/CGNs.

**DISTRIBUTION**

42. (i) If syndicated, names and addresses of Managers and underwriting commitments: [Not Applicable/give names, addresses and underwriting commitments]
- (Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)*
- (ii) Date of [Subscription] Agreement: [date]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]
43. If non-syndicated, name and address of Dealer: [Not Applicable/give name and address]
44. U.S. Selling Restrictions: [Reg. S Compliance Category; TEFRA C/TEFRA D/ TEFRA not applicable]
45. Non-exempt Offer: [Not Applicable] [An offer of the Notes may be made by the Dealers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdictions where the Base Prospectus and any supplements have been passported] **(Public Offer Jurisdictions)** during the period from [specify date] until [specify date] **(Offer Period)**. See further Paragraph 10 of Part B below.
46. Additional selling restrictions: [Not Applicable/give details]

**[PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to trading on [specify relevant regulated market] of the Notes described herein pursuant to the Euro 80,000,000,000 Debt Issuance Programme of the Issuer.]

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms which, when read together with the Base Prospectus referred to above, contains all information that is material in the context of the issue of the Notes. [(Relevant third party information) has been extracted from (specify source)]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (specify source), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of N.V. BANK NEDERLANDSE GEMEENTEN:

By: .....  
Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Admission to trading [Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext Amsterdam N.V.<sup>4</sup>/ Luxembourg Stock Exchange/list any other applicable stock exchanges] with effect from [•].] [Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be listed and admitted to provisional trading on SIX Swiss Exchange.] [Not Applicable.]

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

- [(ii) Estimate of total expenses relating to admission to trading:]<sup>5</sup> [•]

- [(iii) Duration of trading:]<sup>6</sup> [•]

### 2. RATINGS

Ratings: The Notes to be issued have been rated:

[S & P: [•]]

[Moody's: [•]]

[Fitch: [•]]

[[Other]: [•]]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]<sup>7</sup>*

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

### 3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in [under “Plan of Distribution” in the Base Prospectus], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”]

<sup>4</sup> Only applicable to issues listed on Euronext Amsterdam by Euronext, the regulated market of Euronext Amsterdam N.V.

<sup>5</sup> Not required for Notes with a denomination per unit of less than €50,000.

<sup>6</sup> For Swiss Franc Notes

<sup>7</sup> Not required for Notes with a denomination per unit of at least €50,000.

*[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

**4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

[(i) Reasons for the offer [•]

*(See [“Use of Proceeds”] wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]*

[(ii)] Estimated net proceeds: [•]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

[(iii)] Estimated total expenses: [•]

*[Include breakdown of expenses]  
(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)*

**5. [Fixed Rate Notes only – YIELD**

Indication of yield: [•]

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

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield. ]

**6. [Floating Rate Notes only - HISTORIC INTEREST RATES**

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

**7. [Index-linked or other variable-linked notes only – PERFORMANCE OF INDEX/ FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

*Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required by Paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.] ]*

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].

8. **[Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

9. **OPERATIONAL INFORMATION**

|  |  |
|--|--|
| ISIN Code:   | [•]  |
| Common Code:   | [•]  |
| Valor:   | [•]  |
| Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, société anonyme and the relevant identification number(s): | [Not Applicable/SIX SIS AG (“SIS”)] <sup>8</sup>   |
| Delivery:  | Delivery [against/free of] payment   |
| Names and addresses of initial Paying Agent(s):  | [•]  |
| Names and addresses of additional Paying Agent(s) (if any):  | [[Insert Swiss paying agent(s) for Swiss Franc Notes and specify principal Swiss paying agent, if applicable]  |
| Intended to be held in a manner which would allow Eurosystem eligibility:  | [Yes][No][Not Applicable] [Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][include this text if “yes” selected in which case the Notes must be issued in NGN form] |

10. **TERMS AND CONDITIONS OF THE OFFER<sup>9</sup>**

Offer Price: [Issue Price][specify]

<sup>8</sup> For Swiss Franc Notes.

<sup>9</sup> Consider the circumstances in which the items specified below need to be completed or marked “Not Applicable” by reference to the requirements of the relevant home and/or host member states where any non-exempt public offer is being made, in compliance with the Prospectus Directive, as implemented in such member states.

---

|  |  |
|--|--|
| Conditions to which the offer is subject:  | [Not Applicable/ <i>give details</i> ] |
| Description of the application process:  | [Not Applicable/ <i>give details</i> ] |
| Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:                                | [Not Applicable/ <i>give details</i> ] |
| Details of the minimum and/or maximum amount of application:   | [Not Applicable/ <i>give details</i> ] |
| Details of the method and time limits for paying up and delivering the Notes:  | [Not Applicable/ <i>give details</i> ] |
| Manner in and date on which results of the offer are to be made public:  | [Not Applicable/ <i>give details</i> ] |
| Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: | [Not Applicable/ <i>give details</i> ] |
| Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:            | [Not Applicable/ <i>give details</i> ] |
| Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:      | [Not Applicable/ <i>give details</i> ] |
| Amount of any expenses and taxes specifically charged to the subscriber or purchaser:  | [Not Applicable/ <i>give details</i> ] |
| Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.             | [None/ <i>give details</i> ]           |

**11. [*Swiss Franc Notes only* – DOCUMENTS AVAILABLE**

Copies of the Final Terms and the Base Prospectus are available at [insert as applicable [UBS Investment Bank, division of UBS AG, Prospectus Library, P.O Box, CH-8098 Zurich, Switzerland, or can be ordered by telephone (+41-44-239 47 03), fax (+41-44-239 69 14) or by e-mail [swiss-prospectus@ubs.com](mailto:swiss-prospectus@ubs.com)] [•]].

**12. [*Swiss Franc Notes only* – REPRESENTATIVE**

In accordance with Article 43 of the Listing Rules of the SIX Swiss Exchange, [insert as applicable [UBS AG] [•]] has been appointed by the Issuer as representative to lodge the listing application with the Admission Board of the SIX Swiss Exchange.]

**13. [*Swiss Franc Notes only* – NO MATERIAL ADVERSE CHANGE / MATERIAL CHANGES SINCE THE MOST RECENT ANNUAL FINANCIAL STATEMENTS**

Except as disclosed in the Base Prospectus, there has been no material adverse change in the financial condition or operations of the Issuer since [•] 200[•], which would materially affect its ability to carry out its obligations under the Notes.]



# N.V. Bank Nederlandse Gemeenten

## Issuer profile

### Incorporation and Duration

BNG was incorporated as a *'naamloze vennootschap'* (a public company with limited liability) under the laws of The Netherlands on 23 December 1914 and is operating under the laws of the Netherlands. The duration of BNG is unlimited. It is registered in the Commercial Register of the Delft – The Hague Chamber of Commerce and Industry under No. 27008387.

### Registered Office

The Issuer's registered office is at Koninginnegracht 2, 2514 AA The Hague, The Netherlands. The Issuer has no branch offices and its telephone number is +31 70 - 3750750.

### Regulatory Status

BNG qualifies as a credit institution within the meaning of EU directive 2006/48/EC. BNG is authorised by the Dutch Central Bank (*'De Nederlandsche Bank N.V.'*, "**DNB**") to pursue the business of a bank in The Netherlands, in accordance with article 2:11 of the Dutch Financial Supervision Act (*'Wet op het financieel toezicht'*), and is consequently supervised by the Dutch Central Bank. In addition BNG is supervised by The Netherlands Authority for the Financial Markets (*'Stichting Autoriteit Financiële Markten'*) for the purposes of market conduct supervision.

### Purpose

BNG's activities continue to be based on its unique character as the principal Dutch public sector financial agency. As the shareholders are public authorities, BNG is positioned as part of the public sector. BNG serves exclusively as a specialised bank for local, regional and functional public authorities and for public sector institutions as utilities, housing, healthcare, welfare, educational and recreational institutions by providing made-to-measure banking services. These services range from loans and advances and funds transfer to consultancy, electronic banking and investment. BNG is also active in the growing sector of public private partnerships and provides ancillary services, such as project development assistance.

The main business activities of BNG include the granting of credit to its statutory counterparties, making of payment and the processing of flows between the central government and the public authorities listed below.

Pursuant to Article 2 of its Articles of Association, the object of the Issuer, is to carry on the business of banker on behalf of public authorities (as described below). Accordingly, the Issuer may engage, inter alia, in taking in and lending moneys, granting credits in other ways, providing guarantees, arranging the flow of payments, conducting foreign exchange transactions, acting as adviser and broker in the issue of and trade in securities, and keeping, managing and administering securities and other assets for third parties, as well as to incorporate and to participate in other enterprises and/or legal persons, whose object is connected with or conducive to any of the foregoing. The Issuer shall be empowered to perform all acts which may be directly or indirectly conducive to its object. The term public authorities as referred to above means:

- (a) Municipalities and other legal persons in The Netherlands under public law as referred to in article 1, paragraphs 1 and 2, of Book 2 of the Dutch Civil Code;
- (b) the European Communities and other bodies possessing legal personality to which part of the function of the European Communities has been entrusted pursuant to the treaties establishing the European Communities;
- (c) Member states of the European Communities and other bodies possessing legal personality to which part of the administrative function of such a member state has been entrusted pursuant to the law of that member state;
- (d) legal persons under private law;
  - half or more of whose managing directors are appointed directly or indirectly by one or more of the bodies referred to at a, b and c above; and/or
  - half or more of whose share capital is provided directly or indirectly by one or more of the bodies referred to at a, b and c above; and/or – half or more of the income side of whose operating budget

is provided or secured directly or indirectly by one or more of the bodies referred to at a, b and c on the basis of a scheme, bye-law or law adopted by one or more of such bodies; and/or

- whose operating budget is adopted or approved directly or indirectly by one or more of the bodies referred to at a, b and c above on the basis of a scheme, bye-law or law adopted by one or more of such bodies; and/or
- whose obligations towards the Issuer are guaranteed directly or indirectly by one or more of the bodies referred to at a, b and c above or will be guaranteed pursuant to a scheme, bye-law or law adopted by one or more of such bodies, for which purpose obligations include non-guaranteed obligations resulting from prefinancing or other financing which, after novation, will create obligations that will be guaranteed by one or more of such bodies pursuant to a scheme, bye-law or law adopted by one or more of such bodies; and/or
- who execute a part of the governmental function pursuant to a scheme, bye-law or law adapted by one or more of the bodies referred to at a, b and c above.

### **Subsidiaries of BNG**

BNG has a number of wholly owned subsidiaries that perform services that are ancillary to activities of BNG as the specialised bank for local, regional and functional authorities and government affiliated organisations that are involved in public utilities, public housing, public health, welfare, culture, education and recreation. These subsidiaries are:

- *BNG Capital Management B.V.*  
Provides and develops specialised financial services in the fields of securities brokerage, consultancy, the management of investment funds with a FIDO hallmark and customised asset management services to public authorities and public interest institutions.
- *BNG Consultancy Services B.V.*  
Delivers high-quality advisory services in financial-economic and strategic fields as well as training services in the field of treasury management and other aspects of financial-economic management.
- *Ontwikkelings- en Participatiebedrijf Publieke sector B.V.*  
Directly or indirectly provides (venture) capital to public authorities and directly or indirectly participates in and/or co-operates with projects, either with or on behalf of public authorities.
- *Hypotheekfonds voor Overheidspersoneel B.V.*  
Finances mortgage loans being taken out by civil servants in the employ of a public or municipal organisation with which a co-operation agreement has been reached.
- *BVG (BNG Vastgoedontwikkeling) B.V.*  
Directly or indirectly participates in and/or co-operate with real estate projects together with and on behalf of public authorities and/or directly or indirectly provides (venture) capital to such public authorities.

### **Share Capital, Voting Rights and Relationship with the Dutch State**

BNG is a statutory limited company under Dutch law (*structuurvennootschap*). Half of BNG's share capital is held by the State of The Netherlands. The other fifty per cent is mainly held by municipalities and furthermore by eleven of the twelve provinces as well as one district water authority (*waterschap*) in The Netherlands.

For a full description of BNG's capitalisation as at 31 December 2008, see the Capitalisation table of the Issuer on page 63.

Only the State of The Netherlands, provinces, municipalities, district water authorities and other public bodies thereof may be shareholders of the Issuer.

Since the revision in 2001, there is only one class of share.

The authorised capital of BNG is two hundred and fifty million euro (EUR 250,000,000) divided into one hundred million (100,000,000) shares of two euro and fifty cents (EUR 2.50) each. The issued capital is one hundred and thirty nine million and two hundred and twenty six thousand and eight hundred euro (EUR 139,226,800) divided into fifty five million, six hundred and ninety thousand and seven hundred and twenty (55,690,720) shares which are all fully paid up.

Each share carries the right to cast one (1) vote. Voting by proxy is permissible provided that a proxy may not represent more than one shareholder.

No changes in the share capital of BNG have occurred during the years 1999, 2000 and 2002, up to 2008. The Issuer does not own any of its shares.

## **SUPERVISORY BOARD AND EXECUTIVE BOARD**

All members of the Supervisory Board and the Executive Board have their address at the registered office of BNG.<sup>1</sup>

### **Executive Board**

C. van Eykelenburg, *President*

Mr Van Eykelenburg is Chairman of the Supervisory Board of Connexion Holding N.V. and a member of the Supervisory Board of Codarts.

J.J.A. Leenaars, *Member*

Mr Leenaars is a member of the Supervisory Board of N.V. Trustinstelling Hoevelaken and a member of the Supervisory Board of the Higher Vocational Education Guarantee Fund.

J.C. Reichardt, *Member*

Mr Reichardt is a member of the Supervisory Board of BOEI B.V.

### **Supervisory Board**

H.O.C.R. Ruding, *Chairman*

Former Vice-Chairman of Citicorp/Citibank, New York, former Minister of Finance

Mr Ruding is a member of the Supervisory Board of Corning Inc. (US), RTL Group (Luxemburg) and Holcim A.G. (Zürich).

Mrs Y.C.M.T. van Rooy, *Vice-Chairman as well as Secretary*

Chairman of the Governing Board of the University of Utrecht

Mrs Van Rooy is deputy Crown-appointed member of the SER (Social and Economic Council) and member of the Advisory Board of Deloitte.

R.J.N. Abrahamsen

Former Managing Director and Chief Financial Officer KLM Royal Dutch Airlines

Mr Abrahamsen is member of the Supervisory Board of TNT N.V. and member of the Supervisory Board of Koninklijke BAM Groep N.V.

H.H. Apotheker

Mayor of the Municipality of Steenwijkerland

Mr Apotheker is Chairman of the Supervisory Board of N.V. Rendo and member of the Supervisory Committee of Waarborgfonds Eigen Woningen (Owner-Occupied Housing Guarantee Fund).

Mrs H.G.O.M. Berkers

Member of the Executive Board of Catharina-Hospital Eindhoven

Mrs S.M. Dekker

Former Minister of Housing, Spatial Planning and the Environment

Mrs Dekker is a member of the Supervisory Boards of DHV and of Kristal N.V. and chairman of the Supervisory Boards of the Diabetes Fund and Stichting Antilliaanse Medefinancierings Organisatie.

W.M. van den Goorbergh

Former Vice Chairman of the Executive Board of Rabobank Nederland

Mr Van den Goorbergh is a member of the Supervisory Boards of DELA and De Welten Groep Holding B.V. He is also a member of the Supervisory Board of OPG Groep N.V. and of NIBC Bank N.V. and Vice-Chairman of the Board of the Catholic University of Nijmegen.

<sup>1</sup> *Supervisory board memberships and additional positions are mentioned insofar these are held with listed companies and/or are deemed to be relevant to the performance of the tasks as a member of BNG's Supervisory- or Executive Board. All members of BNG's Supervisory- and Executive Board are Dutch nationals.*

R.J.J.M. Pans  
General Director of the Association of Netherlands Municipalities  
Mr Pans is Chairman of the Supervisory Board of Zorggroep Almere.  
A.G.J.M. Rombouts  
Mayor of the Municipality of 's-Hertogenbosch.

### **Managing Directors**

Mrs P.J.E. Bieringa, *Managing Director Account Organisation*  
J.L.S.M. Hillen, *Managing Director Legal Department*  
G.J. Thomas, *Managing Director Company Secretary*  
P.H. Verloop, *Managing Director Treasury*  
R. van Woerden, *Managing Director Funds Transfers and e-Banking*

### **Conflicts of Interest**

At the date of this Base Prospectus, the Issuer is not aware of any conflicts of interest between any duties to the Issuer of the members of the Executive Board and the Supervisory Board and their private interests and/or other duties. Should any potential conflicts of interest arise, the procedures set out below would apply.

### **Potential conflicts of interest- Executive Board**

The members of the Executive Board avoid any form and semblance of conflicting interests in the performance of their duties. The regulations of the Executive Board contain a provision that a member of the Executive Board who is confronted with a potential conflict of interest must report it. Such member will not participate in the deliberations or decision-making regarding the subject in question. If BNG wishes to enter into a transaction involving a potential conflict of interest, this transaction must – as stipulated by the regulations of the Executive Board – be submitted to the Supervisory Board for approval. Once approved, this transaction shall be required to be carried out in line with normal industry terms and disclosed in the annual report. At the moment there are no potential conflicts of interest.

Please note that the possibility cannot be excluded that in the future supervisory board memberships and additional positions of members of the Executive Board can lead to conflicting interests in the performance of duties. Should that be the case than the above described procedure will be followed.

### **Potential conflicts of interest- Supervisory Board**

The Dutch corporate governance code (the Code Tabaksblat), to which BNG voluntarily adheres, requires that any conflict of interest or apparent conflict of interest between the Issuer and the Supervisory Board members shall be avoided. Decisions to enter into transactions involving conflicting interests of Supervisory Board members that are of material significance to the Issuer and/or the relevant Supervisory Board members require the approval of the Supervisory Board.

The regulations of the Supervisory Board contain a provision that a Supervisory Board member who is confronted with a potential conflict of interest must report any such instance. It is stipulated that the Supervisory Board member in question will not take part in the deliberations or the decision-making regarding the matter. In addition, he or she shall refrain from any involvement whatsoever in transactions that are of material significance between, on the one hand, BNG and, on the other, the institution where he or she is an executive director or supervises the conduct of business as a member of that institution's supervisory board. Following approval by the Supervisory Board, any such transactions are exclusively carried out under the usual industry-specific terms and disclosed in the annual report. At the moment there are no potential conflicts of interest.

Please note that the possibility cannot be excluded that in the future supervisory board memberships and additional positions of members of the Supervisory Board can lead to conflicting interests in the performance of duties. Should that be the case than the above described procedure will be followed.

### **CORPORATION TAX**

As from 1 January 2005, BNG is no longer exempted from corporation tax. This decision was taken as part of the general policy of the Dutch government to create a level playing field for companies in which public sector entities hold participating interests. In 2006, general agreement was reached with the tax authorities concerning the first-time fiscal valuation of assets and liabilities.

## DIVIDEND

The long-term dividend policy was presented at the Special General Meeting of Shareholders on 25 August 2006, and the shareholders of BNG approved the proposal to make an additional payment of EUR 500 million in mid-December 2006. On 24 May 2007 the General Meeting of Shareholders approved the proposal to make an additional payment of EUR 500 million in mid-December 2007 from the Reserve Retained Profit to the Shareholders.

A condition to this proposition was that the strong funding position of the bank in the international capital markets would not be affected in any manner whatsoever by the extra dividend. This implies that all ratings assigned to the bank will be retained.

These dividends have been duly paid in accordance with the aforesaid approvals and conditions.

## FUNDING

Since the liberalisation and deregulation of the Dutch financial markets in 1986 and the election of credit institution status by the Issuer in 1988 under the Act on the supervision of the credit system 1978 (*‘Wet Toezicht Kredietwezen 1978’*), replaced by *‘Wet Toezicht Kredietwezen, 1992’* and now replaced by the DFSA) new funding instruments have been developed. BNG established a domestic AUD 5 billion Medium Term Note Programme of which approximately AUD 1.4 billion is currently outstanding. As an issuer on the Japanese domestic market, BNG has been recognised since 1996 as a “sovereign” issuer by the Japanese government.

### Short term funding

The short-term funding strategy of BNG has resulted in growth in deposits originating from its customers and from the global financial markets. BNG has also established a EUR Commercial Paper Programme. Its current size is EUR 15 billion of which approximately EUR 7.2 billion is currently outstanding. Average short-term funding also showed volume growth, particularly due to the financing of the increase in short-term loans and advances.

### Long term funding

A significant portion of the long-term funds required by BNG is drawn from the eurobond market. In 2007, EUR 13.1 billion in long-term funding was raised (in 2007, EUR 11.3 billion was raised). Apart from the funding of loans and advances, these funds were used to finance redemptions. In 2008, BNG once again almost entirely met its long-term funding requirement through the issuance of bonds under the Programme. The weighted average maturity of the issued paper was 4.2 years (2007: 5.3).

The portfolio of long-term borrowings measured at redemption value and at the spot rate as of 31 December 2008 decreased with EUR 1.1 billion to EUR 66.1 billion. Of the outstanding debt, 44% is EUR-denominated, the same as in 2007. As far as the remaining debt is concerned, bonds are mainly issued in US Dollars, Swiss Francs, Japanese Yen, Canadian Dollars and British Pounds. BNG’s funding policy is designed to respond as flexibly as possible to the needs of its investors. In doing so, BNG raises capital at competitive rates, thereby strengthening its relationship with investors.

### Interest Rate and Currency risk

The level of short-term funding, in conjunction with a higher volume of off-balance sheet products can be seen to represent BNG’s strategy of hedging interest rate risk. BNG is also an important participant in the interbank market of interest rate swaps, forward rate agreements and exchange listed futures to hedge exposures and increase the overall flexibility of BNG. Derivative transactions are concluded mainly as hedges against BNG’s own exposure to interest rate and currency risks.

## RISK MANAGEMENT

BNG pursues a prudent risk policy, and risk management and control are key elements of its business operations. Credit institutions such as BNG are subject to liquidity risk, market risk, operational risk, ICT risk, integrity risk, outsourcing risk and credit risk. The new Basel Capital Accord: Basel II contains regulations that set out guidelines and recommendations for the organisation and control by credit institutions of business processes and of the aforementioned risks. The types of risks referred to above and the manner in which BNG aims to manage these risks are further explained in the Risk Section of the annual report 2008, which is incorporated by reference into this Base Prospectus (see page 14).

With respect to BNG's exposure to credit risk the following is noted. The vast majority of the loans and advances are extended to public authorities or are directly or indirectly government-guaranteed. BNG's credit risk policy is aimed at minimising potential losses from lending operations. BNG only accepts financial institutions with a high creditworthiness as counterparties.

## BASEL II

BNG has opted for the so-called 'Standardised Approach' for credit risk. Among the arguments underlying this decision were BNG's equity position and the expected impact of the new regulations on this portion as well as the absence of relevant databases with information on defaults and cost aspects. In 2007 BNG started to report in conformity with the new standards for the first time. The 'Basic Indicator Approach' (BIA) has been chosen for operational risk, as other methods currently offer no additional advantages.

## SELECTED FINANCIAL DATA 2008-2004<sup>1</sup>

| <i>In millions of euros</i>                            | 2008    | 2007   | 2006   | 2005   | 2004   |
|--|---------|--------|--------|--------|--------|
| Total Assets . . . . .                                 | 101,365 | 92,602 | 90,098 | 91,671 | 88,586 |
| Loans and Advances <sup>2</sup> . . . . .              | 75,699  | 66,037 | 64,994 | 64,166 | 62,836 |
| of which Granted to or guaranteed by                   |         |        |        |        |        |
| Public Authorities . . . . .                           | 64,782  | 60,219 | 60,059 | 58,287 | 56,407 |
| Equity <sup>3,4</sup> . . . . .                        | 1,979   | 2,053  | 2,576  | 3,145  | 2,592  |
| of which Unrealized Revaluation . . . . .              | (29)    | 104    | 220    | 354    |        |
| Equity per share (in euros) <sup>4,5</sup> . . . . .   | 36.06   | 35.00  | 42.31  | 50.09  | 46.55  |
| Equity as a % of Total Assets <sup>4,5</sup> . . . . . | 2.0%    | 2.1%   | 2.6%   | 3.0%   | 2.9%   |
| BIS-Ratio Tier 1 <sup>4</sup> . . . . .                | 18%     | 18%    | 24%    | 32%    | 26%    |
| BIS-Ratio <sup>4</sup> . . . . .                       | 20%     | 20%    | 26%    | 33%    | 27%    |
| Profit before Tax <sup>6</sup> . . . . .               | 182     | 238    | 255    | 276    | 301    |
| Net Profit <sup>7</sup> . . . . .                      | 158     | 195    | 199    | 311    |        |
| Profit per Share (in euros) . . . . .                  | 2.84    | 3.50   | 3.57   | 5.58   | 5.40   |
| Dividend (in Cash) . . . . .                           | 79      | 97     | 99     | 134    | 129    |
| Dividend as a % of Consolidated Net Profit . . . . .   | 50%     | 50%    | 50%    | 43%    | 43%    |
| Dividend per Share (in euros) . . . . .                | 1.42    | 1.75   | 1.78   | 2.40   | 2.32   |
| Additional Payment (in euros) . . . . .                |         | 500    | 500    |        |        |
| Additional Payment per Share (in euros) . . . . .      |         | 8.98   | 8.98   |        |        |
| Employees (in FTEs) at Year-End . . . . .              | 280     | 278    | 381    | 409    | 439    |
| - of which Subsidiaries . . . . .                      | 51      | 52     | 42     | 38     | 34     |

<sup>1</sup> From 2005 onwards, the selected financial data are based on the International Financial Reporting Standards as agreed upon within the European Union. The figures up to 2005 are based on Dutch gaap.

Consequently, the figures from 2005 onwards are not entirely comparable with earlier years.

<sup>2</sup> EUR 4,569 million of the increase in the balance sheet item Loans and Advances in 2008 was due to reclassification of the balance sheet item Financial Assets Available for Sale.

<sup>3</sup> Beginning in 2005, Equity includes an unrealized revaluation reserve due to the adoption of IFRS.

<sup>4</sup> In December 2007 and December 2006, an additional payment of EUR 500 million was made to shareholders (EUR 8.98 per share). The payment was charged to the reserves.

<sup>5</sup> Excluding the revaluation reserve.

<sup>6</sup> BNG became liable to pay corporation tax effective January 1, 2005.

<sup>7</sup> The Net Profit in 2005 is higher than the profit before tax as a consequence of the incorporation of the first fiscal valuation for corporation tax. This is a one-off adjustment.

**CAPITALISATION OF THE ISSUER<sup>1</sup>**

| <i>In millions of euros</i>        | <b>As of<br/>31 December 2008</b> | <b>As of<br/>31 December 2007</b> |
|------------------------------------|-----------------------------------|-----------------------------------|
| Share Capital .....                | 139                               | 139                               |
| Share Premium Reserve .....        | 6                                 | 6                                 |
| Revaluation Reserve .....          | (29)                              | 104                               |
| Other Reserves .....               | 1,708                             | 1,610                             |
| Net Profit .....                   | 158                               | 195                               |
| Currency Translation Account ..... | (3)                               | (1)                               |
| <b>Total Equity .....</b>          | <b>1,979</b>                      | <b>2,053</b>                      |
| Subordinated Loans .....           | 170                               | 163                               |
| Funds Entrusted .....              | 6,439                             | 6,468                             |
| Debt Securities .....              | 79,157                            | 70,005                            |
| <b>Total Capitalisation .....</b>  | <b>87,745</b>                     | <b>78,689</b>                     |

<sup>1</sup> Based on the Consolidated Balance Sheet of the Issuer.

**CONSOLIDATED BALANCE SHEET as of 31 DECEMBER 2008**

| <i>In millions of euros</i>  | <b>December 31, December 31,</b> |               |
|--|----------------------------------|---------------|
|  | <b>2008</b>                      | <b>2007</b>   |
| <b>Assets</b>  |                                  |               |
| Cash and Cash Equivalents . . . . .  | 497                              | 485           |
| Banks . . . . .  | 8,956                            | 10,067        |
| Loans and Advances . . . . .   | 75,699                           | 66,037        |
| Financial Assets at Fair Value through the Income Statement . . . . .      | 3,001                            | 2,989         |
| Financial Assets Available for Sale . . . . .                              | 5,185                            | 10,483        |
| Other Financial Assets . . . . .   | 7,695                            | 1,882         |
| Associates and Joint Ventures . . . . .                                    | 105                              | 102           |
| Property and Equipment . . . . .   | 24                               | 19            |
| Other Assets . . . . .   | 203                              | 536           |
| Assets Held for Sale . . . . .   | -                                | 2             |
| <i>Total Assets</i> . . . . .  | <u>101,365</u>                   | <u>92,602</u> |
| <b>Liabilities</b>   |                                  |               |
| Banks . . . . .  | 3,285                            | 6,140         |
| Funds Entrusted . . . . .  | 6,439                            | 6,468         |
| Subordinated Loans . . . . .   | 170                              | 163           |
| Debt Securities . . . . .  | 79,157                           | 70,005        |
| Financial Liabilities at Fair Value through the Income Statement . . . . . | 791                              | 246           |
| Other Financial Liabilities . . . . .                                      | 9,359                            | 7,250         |
| Other Liabilities . . . . .  | 185                              | 277           |
| <i>Total Liabilities</i> . . . . .   | <u>99,386</u>                    | <u>90,549</u> |
| Equity . . . . .   | 1,979                            | 2,053         |
| <i>Total Liabilities and Equity</i> . . . . .                              | <u>101,365</u>                   | <u>92,602</u> |



**CONSOLIDATED INCOME STATEMENT 2008**

| <i>In millions of euros</i>                         | <b>2008</b> | <b>2007</b> |
|---|-------------|-------------|
| - Interest Income . . . . .                         | 4,524       | 3,868       |
| - Interest Expenses . . . . .                       | 4,247       | 3,603       |
| Interest Result . . . . .                           | 277         | 265         |
| Income from Associates and Joint Ventures . . . . . | (1)         | 13          |
| - Commission Income . . . . .                       | 25          | 20          |
| - Commission Expenses . . . . .                     | 5           | 6           |
| Commission Result . . . . .                         | 20          | 14          |
| Results Financial Transactions . . . . .            | (64)        | 8           |
| Foreign Exchange Result . . . . .                   | 2           | 0           |
| Other Income . . . . .                              | 9           | 4           |
| <i>Subtotal</i> . . . . .                           | 243         | 304         |
| Staff Costs and Other Administrative Expenses       |             |             |
| - Staff Costs . . . . .                             | 32          | 36          |
| - Other Administrative Expenses . . . . .           | 27          | 26          |
|   | 59          | 62          |
| Depreciation . . . . .                              | 2           | 4           |
| Other Operating Expenses . . . . .                  | 0           | 0           |
| <i>Subtotal</i> . . . . .                           | 61          | 66          |
| <i>Profit before Tax</i> . . . . .                  | 182         | 238         |
| Taxation  |             |             |
| - Movement in Deferred Taxes . . . . .              | -           | (1)         |
| - Taxes . . . . .                                   | (24)        | (42)        |
|   | (24)        | (43)        |
| <i>Net Profit</i> . . . . .                         | 158         | 195         |

**CONSOLIDATED CASH FLOW STATEMENT 2008**

| <i>In millions of euros</i>  | <b>2008</b>    | <b>2007</b>    |
|--|----------------|----------------|
| <b>Cash Flow from Operating Activities</b>   |                |                |
| Profit before Tax .....  | 182            | 238            |
| Adjustments for:   |                |                |
| - Depreciation .....   | 2              | 4              |
| - Additions to Provisions .....  | -              | 3              |
|  | <u>2</u>       | <u>7</u>       |
| <i>Cash Flow Generated from Operations</i> .....   | 184            | 245            |
| - Movement in Banks (not due on demand) .....  | (1,151)        | 1,497          |
| - Movement in Loans and Advances .....   | (1,998)        | 1,939          |
| - Movement in Funds Entrusted .....  | (408)          | 1,162          |
| - Taxes Received/Paid .....  | (22)           | (20)           |
| - Other Movements in Cash Flow from Operating Activities ...   | (1,741)        | (1,866)        |
|  | <u>(5,320)</u> | <u>2,712</u>   |
| Total Cash Flow from Operating Activities .....  | (5,136)        | 2,957          |
| <b>Cash Flow from Investing Activities</b>   |                |                |
| <i>Investments and Acquisitions</i>  |                |                |
| - Financial Assets at Fair Value via the Income Statement<br>and Financial Assets Available for Sale ..... | (4,559)        | (4,847)        |
| - Associates and Joint Ventures .....  | (5)            | (68)           |
| - Property and Equipment .....   | (7)            | (1)            |
|  | <u>(4,571)</u> | <u>(4,916)</u> |
| <i>Disposals and Repayments</i>  |                |                |
| - Financial Assets at Fair Value via the Income Statement and<br>Financial Assets Available for Sale ..... | 6,145          | 4,654          |
| - Associates and Joint Ventures .....  | -              | 4              |
| - Property and Equipment .....   | 2              | 3              |
|  | <u>6,147</u>   | <u>4,661</u>   |
| Total Cash Flow from Investing Activities .....  | 1,576          | (255)          |
| <b>Cash Flow from Financing Activities</b>   |                |                |
| Receipts in Respect of Debt Securities .....   | 24,746         | 15,611         |
| Repayments in Respect of Debt Securities .....   | (21,106)       | (18,004)       |
| Dividend Paid .....  | (97)           | (599)          |
| Total Cash Flow from Financing Activities .....  | 3,543          | (2,992)        |
| <b>Net Movement in Cash and Cash Equivalents</b> .....   | (17)           | (290)          |
| Cash and Cash Equivalents as of January 1 .....  | 244            | 534            |
| <b>Cash and Cash Equivalents as of December 31</b> .....   | <u>227</u>     | <u>244</u>     |
| <i>Cash and Cash Equivalents as of December 31 is comprised<br/>of the following:</i>                      |                |                |
| Cash and Cash Equivalents .....  | 497            | 485            |
| Cash Equivalents under the Bankers (Asset) item .....  | 20             | 10             |
| Cash Equivalents under the Bankers (Liability) item .....  | (290)          | (251)          |
|  | <u>227</u>     | <u>244</u>     |

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# Auditor's Report

To the Shareholders, the Supervisory Board and the Executive Board of N.V. Bank Nederlandse Gemeenten

## *Introduction*

We have audited whether the 'capitalisation of the issuer' statements as at 31 December 2008 and 31 December 2007, the consolidated balance sheets as at 31 December 2008 and 31 December 2007 and the consolidated income statements for the years ended 31 December 2008 and 31 December 2007 of N.V. Bank Nederlandse Gemeenten, The Hague, as included in this Base Prospectus on page 63, page 64 and page 65, have been derived consistently from the audited financial statements of N.V. Bank Nederlandse Gemeenten for the year ended 31 December 2008. In our auditor's report dated 6 March 2009 we expressed an unqualified opinion on these financial statements. Management of the company is responsible for the preparation of the 'capitalisation of the issuer' statements, the consolidated balance sheets and the consolidated income statements in accordance with the accounting policies as applied in the 2008 financial statements of N.V. Bank Nederlandse Gemeenten. Our responsibility is to express an opinion on the 'capitalisation of the issuer' statements, the consolidated balance sheets and the consolidated income statements.

## *Scope*

We conducted our audit in accordance with Dutch law. This law requires that we plan and perform the audit to obtain reasonable assurance that the 'capitalisation of the issuer' statements, the consolidated balance sheets and the consolidated income statements have been derived consistently from the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## *Opinion*

In our opinion the 'capitalisation of the issuer' statements, the consolidated balance sheets and the consolidated income statements have been derived consistently, in all material respects, from the financial statements.

## *Emphasis of matter*

For a better understanding of the company's financial position and results and the scope of our audit, we emphasize that the 'capitalisation of the issuer' statements, the consolidated balance sheets and the consolidated income statements should be read in conjunction with the financial statements, from which the 'capitalisation of the issuer' statements, the consolidated balance sheets and the consolidated income statements were derived and our unqualified auditor's report thereon dated 6 March 2009. Our opinion is not qualified in respect of this matter.

Amsterdam, 29 July 2009

Ernst & Young Accountants LLP

signed by A.B. Roeders

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# Extract of the Articles of Association

N.V. Bank Nederlandse Gemeenten (referred to for purposes of this section “**Extract of the Articles of Association**” as the “**Company**”) was established in The Netherlands by Deed dated 23 December 1914.

Set out below are translated extracts of the Articles of Association of N.V. Bank Nederlandse Gemeenten as last altered by Deed dated 21 June 2005 and effective as per that date, a Ministerial declaration of non-objection having been granted on 27 May 2005.

## **Article 6**

### **Shareholders and shares**

1. Only the following may be shareholders: the State of The Netherlands, provinces, municipalities, water control corporations and other public bodies.

### **Executive board**

1. The management of the Company shall be entrusted to an Executive Board consisting of two or more members, including a president, under the supervision of a Supervisory Board.
2. The president and the other members of the Executive Board shall be appointed and dismissed by the Supervisory Board, and may be suspended individually or collectively by the Supervisory Board at all times. In the event of suspension the time and conditions of the suspension shall also be determined.
3. The Company operates a policy for remuneration of the members of the Executive Board. The policy shall be determined by the general meeting of shareholders on a motion submitted by the Supervisory Board. The remuneration policy shall include as a minimum the subjects described in Article 383(c) to 383(e) of Book 2 of the Civil Code, insofar as they concern members of the Executive Board. The remuneration policy shall be submitted in writing to the general meeting of shareholders and at the same time submitted for inspection by the Works Council.
4. The remuneration of members of the Executive Board shall be determined by agreement to be concluded between the Company – represented in this matter by the Supervisory Board – and each of the members.
5. The meetings of the Executive Board shall be presided over by the President of the Executive Board.
6. The members of the Executive Board shall regulate their duties among themselves, after consultation with the Supervisory Board.

## **Article 9**

1. The Executive Board shall have power to represent the Company.  
This power of representation shall also be vested in:
  - (a) two members of the Executive Board acting jointly;
  - (b) one member of the Executive Board together with a holder of a power of attorney.
2. The Executive Board may, subject to the approval of the Supervisory Board, confer on members of the Executive Board and employees of the Company the power to represent the Company, subject to the Executive Board’s responsibility and with due observance of the limitations which it considers necessary, and shall determine the titles to be carried by them.

## **Article 11**

1. Without prejudice to the approvals required elsewhere in these Articles of Association, the prior approval of the Supervisory Board shall be required for resolutions of the Executive Board concerning:
  - a. the issue and acquisition of the Company’s shares and debentures or of debentures of a limited partnership or general partnership in which the Company is a general partner with unlimited liability;

- b. application for a listing or cancellation of a listing for the items referred to at a in the price list of any stock exchange;
  - c. the taking up of a loan with a maturity of over twenty years on the strength of an acknowledgement of debt signed under hand if the loan exceeds an amount specified by the Supervisory Board, and the conditions of such a loan;
  - d. the conclusion or termination of lasting cooperation between the Company or a dependent company on the one hand and another company or legal person on the other or as general partner with unlimited liability in a limited partnership or general partnership, if this cooperation or termination is of far-reaching significance for the company;
  - e. the acquisition of a holding worth at least one fourth of the amount of the issued capital with reserves, according to the balance sheet with explanatory notes of the Company, by it or a dependent company in the capital of another company, and any significant expansion or reduction of such a holding;
  - f. investments which require an amount equal to at least one fourth of the Company's issued capital with reserves, according to its balance sheet with explanatory notes;
  - g. a resolution to amend the articles of association;
  - h. a resolution to dissolve the Company;
  - i. a petition for liquidation and application for a suspension of payment of debts;
  - j. termination of the employment of a substantial number of employees of the Company or of a dependent company at the same time or within a short space of time;
  - k. a far-reaching change in the working conditions of a substantial number of employees of the Company or of a dependent company;
  - l. a resolution to reduce the issued capital;
  - m. the acquisition, encumbering and alienation of immovable property and other property subject to registration on behalf or at the expense of the company;
2. Notwithstanding the approvals required elsewhere in these articles of association, the approval of the general meeting of shareholders is required for resolutions of the Executive Board concerning an important change in the identity or the character of the Company or the business, including as a minimum:
- a. transfer of the business or nearly the entire business to a third party;
  - b. concluding or terminating a long-term collaboration of the Company or a subsidiary with another artificial person or company or as a completely liable partner in a limited partnership or general partnership, if this cooperation or termination is of far-reaching significance to the Company;
  - c. acquiring or disposing by the Company or a subsidiary of a participating interest in the capital of a company with a value of at least one third of the amount of the issued capital with the reserves in accordance with the balance sheet with explanatory notes or, if the Company prepares a consolidated balance sheet, in accordance with the consolidated balance sheet as included in its most recently adopted annual accounts, as well as significantly increasing or decreasing such a participating interest;
  - d. investments or disinvestments to at least the amount referred to under c.

The absence of the approval of the general meeting of shareholders of a resolution referred to in this paragraph does not affect the authority of the entire Executive Board or its individual members to represent the Company.

3. The Executive Board shall inform the general meeting of shareholders in time about developments and insights within the company or the business which may result in a significant change in the identity or the character of the Company or business.

## **Article 12**

### **Supervisory board**

1. The Supervisory Board shall determine the number of its members, being at least nine and not more than eleven members.  
The Supervisory Board shall determine the number of its members. An incomplete Board shall nevertheless retain its powers.
2. The Supervisory Board shall draw up a profile of its size and composition, taking into account the nature of the Company, its activities and the required expertise and background of the supervisory directors. The Board shall discuss the profile for the first time upon adoption, and thereafter each time when there is a change in the general meeting of shareholders, and with the Works Council.
3. Notwithstanding the provisions of paragraph 7, the members of the Supervisory Board shall be appointed by the general meeting of shareholders on the nomination of the Supervisory Board. The Supervisory Board shall announce the nomination to the general meeting of shareholders and to the Works Council at the same time. Reasons must be given for the nomination.
4. The general meeting of shareholders and the Works Council may recommend persons to the Supervisory Board for nomination as Supervisory Director. For this purpose the Supervisory Board shall inform them in due time when, as a result of what and in accordance with which profile a vacancy must be filled. If for the vacancy the new powers to nominate one-third of the members making up the Supervisory Board referred to in paragraph 5 apply, the Supervisory Board must also give notice of this.
5. The Works Council shall recommend the nomination of one third of the members of the Supervisory Board. The Supervisory Board shall place such nominations on a list, unless it objects to the nomination because it anticipates that the recommended person will be unsuitable for the duties of supervisory director or that the Supervisory Board following appointment in accordance with the nomination will not be properly constituted. If the number of Supervisory Board members cannot be divided by three, the nearest lower number that can be divided by three shall be considered for determining the number of members to which the new powers of the Works Council apply.
6. If the Supervisory Board objects, it shall inform the Works Council of this, stating reasons. The Supervisory Board shall consult the Works Council without delay to reach agreement on the nomination. If the Supervisory Board establishes that no agreement can be reached, a representative of the Supervisory Board designated for that purpose shall request the Enterprise Section to declare the objection unfounded. The Supervisory Board shall place the recommended person on the list of candidates if the Enterprise Section declares the objection well-founded. If the Enterprise Section declares the objection well-founded, the Works Council may make a new nomination in accordance with the provisions of paragraph 5.
7. The general meeting of shareholders may reject the nomination by an absolute majority of the votes cast representing at least one third of the issued capital.  
If not at least one third of the issued capital was represented at the meeting, a new meeting may be convened at which the nomination can be rejected by an absolute majority of the votes cast. In that case the Supervisory Board shall draw up a new list of nominations. Paragraphs 4, 5 and 6 apply. If the general meeting of shareholders does not appoint the nominated person and does not resolve to reject the nomination, the Supervisory Board shall make the appointment.

## **Article 23**

### **Appropriation of profits**

1. Profits shall be distributed after adoption by the general meeting of shareholders of the annual accounts showing that this is permissible.

2. The company may make payments to the shareholders from the profits available for distribution only in so far as its equity capital exceeds the amounts of the paid-up part of the capital plus the reserves which have to be kept by law.
3. First of all, if possible, the profits available for distribution shall be used to add an amount of ten per cent (10%) of the profit of the financial year as evidenced by the annual accounts to the general reserve; out of any surplus remaining thereafter, the shareholders shall, if possible, be paid five per cent (5%) of the nominal amount of their shareholding.
4. The remainder shall be paid to the shareholders in proportion to the nominal amount of their shareholdings, in so far as the general meeting of shareholders does not allocate this to reserves.
5. The company shall be empowered to make interim distributions of profits, subject to the provisions of Article 105, paragraph 4, of Book 2 of the Civil Code.

## **Article 25**

### **Alteration of the Articles of Association and dissolution**

1. Resolutions to alter the Articles of Association and to dissolve the company may be passed only at a general meeting of shareholders at which over half of the issued capital is represented and also at least two thirds of the votes validly cast are in favour of the proposed alteration or dissolution.
2. If the requisite issued capital is not represented at the meeting referred to in paragraph 1, a new meeting shall be called within a period of at least fourteen days, not including the day of the notice and that of the meeting, and no more than one month; the day, time and place of the meeting shall be immediately determined by the executive board or the supervisory board. A resolution may be passed at this meeting, irrespective of the capital represented there, provided that it is passed by at least two thirds of the votes cast.

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# Taxation

## General

The following is a summary of certain Netherlands tax consequences of the acquisition, holding and disposal of the Notes. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Notes. In view of its general nature, it should be treated with corresponding caution. This summary does not apply to a holder of Notes which has a substantial interest or deemed substantial interest (statutorily defined term; generally an interest of at least 5%, held alone or together with certain related individuals) in the Issuer. Holders should consult with their tax advisers with regard to the tax consequences of investing in the Notes. The discussion below is included for general information purposes only.

Except as otherwise indicated, this summary only addresses the Dutch tax legislation, as in effect and in force at the date of this prospectus, as interpreted in published case law, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

## Withholding tax

All payments made by the Issuer under the Notes may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, provided that the Notes are not re-characterized as equity for tax purposes.

## Taxes on income and capital gains

A holder of Notes will not be subject to Netherlands taxes on income or capital gains in respect of any payment under the Notes or in respect of any gain realised on the disposal or deemed disposal of the Notes, provided that:

- (i) such holder is neither resident nor deemed to be resident of the Netherlands nor has made an election for the application of the rules of the Dutch Income Tax Act 2001 as they apply to residents of the Netherlands; and
- (ii) such holder does not have an interest in an enterprise which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes are attributable; and
- (iii) in the event such holder is an individual, such holder does not carry out any activities in the Netherlands in respect of the Notes that go beyond ordinary active asset management (*'normaal actief vermogensbeheer'*) and does not derive benefits from the Notes that are (otherwise) taxable as benefits from other activities (*'resultaat uit overige werkzaamheden'*) in the Netherlands.

A holder of Notes will not become subject to Netherlands taxation on income or capital gains by reason only of the execution, delivery and/or enforcement of the Notes or the performance by the Issuer of its obligations under the Notes.

## Gift and estate taxes

No Netherlands gift, estate or inheritance taxes will arise on the transfer of Notes by way of gift by, or on the death of, a holder of Notes who is neither resident nor deemed to be resident in the Netherlands, unless:

- (i) such holder at the time of the gift has or at the time of his death had an enterprise or an interest in an enterprise that, in whole or in part, is or was either effectively managed in the Netherlands or carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes are or were attributable; or
- (ii) in the case of a gift of a Note by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

For purposes of Dutch gift, estate and inheritance taxes, amongst others, a person that holds the Dutch nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any



time during the ten years preceding the date of the gift or his death. Additionally, for purposes of Dutch gift tax, amongst others, a person not holding Dutch nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable tax treaties may override deemed residency.

**Turnover tax**

No Netherlands turnover tax will arise in respect of any payment in consideration for the issue of the Notes or with respect to any payment by the Issuer of principal, interest or premium (if any) on the Notes.

**Other taxes and duties**

No Netherlands registration tax, stamp duty or other similar documentary tax or duty, other than court fees, will be payable in the Netherlands by the holders of Notes in respect of or in connection with the subscription, issue, placement, over-allotment or delivery of the Notes.

**EU Savings Directive**

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required, from 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35%. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. A number of non-EU countries and territories, including Switzerland, have adopted similar measures (a withholding system in the case of Switzerland).

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the Directive, which included the Commission's advice on the need for changes to the Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the Directive, including a number of proposed changes. The European Parliament approved an amended version of this proposal on 24 April 2009. Future amendments to the Directive may amend or broaden the scope of the requirements described above.

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## Plan of Distribution

Under the Programme, Notes may be issued from time to time by the Issuer to any one or more of the Dealers. The Dealers have, in an amended and restated dealer agreement dated 29 July 2009 (the “**Dealer Agreement**”), agreed with the Issuer a basis upon which they or any of them may from time to time agree to subscribe Notes. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be subscribed by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription. In the Dealer Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the maintenance of the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### **GENERAL**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out below) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the preceding paragraph.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to this Base Prospectus.

### **UNITED STATES OF AMERICA**

The Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or, to or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes will be issued in bearer form only and are subject to United States tax law requirements.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, except as provided in the Dealer Agreement, it has not offered and sold Notes and will not offer and sell Notes (i) as part of their distribution at any time and (ii) otherwise until forty days after the completion of the distribution of the Series of which such Notes are a part, as determined and certified to the Issuing and Paying Agent by the relevant Dealer (or in the case of a sale of a Series of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Series purchased by or through it, which certification may be made through the lead manager of the relevant issue, in which case the Issuing and Paying Agent shall notify each such Dealer when all such Dealers have so certified) within the United States, or to or for the account or benefit of U.S. persons, except in accordance with Rule 903 of Regulation S or Rule 144A under the Securities Act. Accordingly, neither such Dealer, its affiliates (if any) nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to Notes, and such Dealer, its affiliates (if any) and any person acting on its or their behalf have complied and will comply with the offering restrictions requirements of Regulation S. Each Dealer agrees that, at or prior to confirmation of sale of Notes (other than sale of Notes pursuant to Rule 144A), it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it or through it during the distribution compliance period a confirmation or notice to substantially the following effect:

**“The Notes covered hereby have not been, and will not be, registered under the United States Securities Act of 1933 as amended (the “Securities Act”) and may not be offered and sold within the United States or to or for the account or benefit of U.S. persons (i) as part of their distribution at any time or (ii) otherwise until forty days after the completion of the distribution of the series of Notes of which such Notes are a part, as determined and certified by [Name of Dealer or Dealers, as the case may be], except in either case in accordance with Regulation S or Rule 144A under the Securities Act. Terms used above have the meaning given to them by Regulation S.”**

Terms used in the above paragraph have the meanings given to them by Regulation S.

The Notes will be issued in accordance with the provisions of United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the “**D Rules**”), unless the relevant Final Terms specify that the Notes will be issued in accordance with the provisions of United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the “**C Rules**”).

In respect of Notes issued or to be issued in accordance with the D Rules, each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that:

- (a) except to the extent permitted under the D Rules, (i) it has not offered or sold, and during the restricted period will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (ii) such Dealer has not delivered and will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;
- (b) it has and throughout the distribution compliance period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (c) if such Dealer is a United States person, it represents that it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and, if such Dealer retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6); and
- (d) with respect to each affiliate (if any) that acquires from such Dealer Notes in bearer form for the purposes of offering or selling such Notes during the restricted period, such Dealer either (i) hereby represents and agrees on behalf of such affiliate (if any) to the effect set forth in sub-paragraphs (a), (b) and (c) of this paragraph or (ii) agrees that it will obtain from such affiliate (if any) for the benefit of the Issuer the representations and agreements contained in sub-paragraphs (a), (b) and (c) of this paragraph.

Terms used in the above paragraph have the meanings given to them by the United States Internal Revenue Code of 1986 and regulations thereunder, including the D Rules.

In addition, under the C Rules, where the C Rules are specified in the relevant Final Terms as being applicable in relation to any issue of Notes, such Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Accordingly, each Dealer has represented and agreed (and each additional Dealer appointed under the programme will be required to represent and agree) in respect of such Notes that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, any such Notes within the United States or its possessions in connection with the original issuance. Further, each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) in connection with the original issuance of such Notes, that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such Dealer or such purchaser is within the United States or its possessions and will not otherwise involve the U.S. office of such Dealer in the offer and sale of Notes. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the C Rules.

Each issuance of index-linked, commodity-linked or currency-linked Notes shall be subject to additional U.S. selling restrictions as the relevant Dealer or Dealers shall agree as a term of the issuance and purchase of such Notes. Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to

agree, that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it has not entered and will not enter into any contractual arrangements with respect to the distribution or delivery of Notes except with its affiliates (if any) or with the prior written consent of the Issuer.

### **PUBLIC OFFER SELLING RESTRICTION UNDER THE PROSPECTUS DIRECTIVE**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than € 43,000,000 and (3) an annual net turnover of more than € 50,000,000, as shown in its last annual or consolidated accounts;
- (d) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (e) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive.

Provided that no such offer of Notes referred to in (b) to (e) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an **offer of Notes to the public** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the **Prospectus Directive** in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

### **SELLING RESTRICTIONS ADDRESSING ADDITIONAL SECURITIES LAWS**

#### **UNITED KINGDOM**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (a) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity

(within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not, or in the case of the Issuer would not, if it was not an authorised person, apply to the Issuer; and

- (b) *General compliance:* it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

## JAPAN

The Instruments have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended; the “**FIEA**”) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Instruments, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Law (Law No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the **FIEA** and any other applicable laws, regulations and ministerial guidelines of Japan.

## THE NETHERLANDS

Zero Coupon Notes (as defined below) in definitive form may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. in full compliance with the Dutch Savings Certificates Act (*‘Wet inzake Spaarbewijzen’*) of 21 May 1985 (as amended). No such mediation is required in respect of (a) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (b) the transfer and acceptance of Zero Coupon Notes within, from or into The Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in the Zero Coupon Note in global form) of any particular Series or Tranche are issued outside The Netherlands and are not distributed into The Netherlands in the course of their initial distribution or immediately thereafter. In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with and, in addition thereto, if such Zero Coupon Notes in definitive form do not qualify as commercial paper traded between professional borrowers and lenders within the meaning of the agreement of 2 February 1987, attached to the Royal Decree of 11 March 1987, (*‘Staatscourant 129’*) (as amended), each transfer and acceptance should be recorded in a transaction note, including the name and address of each party to the transaction, the nature of the transaction and the details and serial numbers of such Notes. For purposes of this paragraph “**Zero Coupon Notes**” means Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

## REPUBLIC OF ITALY

The offering of the Notes has not been registered pursuant to Italian securities legislation. Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold, and will not offer or sell, any Notes in the Republic of Italy in an offer to the public, and that sales of the Notes in the Republic of Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

Each of the Dealers has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it will not offer, sell or deliver any Notes or distribute copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy except:

- (1) to “**Qualified Investors**”, pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (“Decree No. 58”) and as defined in Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended (“**Regulation No. 11971**”); or
- (2) that it may offer, sell or deliver Notes or distribute copies of any prospectus relating to such Notes in an offer to the public in the period commencing on the date of publication of such prospectus, provided that such prospectus has been approved in another Relevant Member State and notified to CONSOB, all in

accordance with the Prospectus Directive, as implemented in Italy under Decree 58 and Regulation No. 11971, and ending on the date which is 12 months after the date of publication of such prospectus; or

- (3) in any other circumstances where an express exemption from compliance with the public offering restrictions applies, as provided under Decree No. 58 or CONSOB Regulation No. 11971 of 14 May 1999, as amended.

Any such offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy must be:

- (1) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended (“Decree No. 385”), Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007, as amended and any other applicable laws and regulations; and
- (2) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

### **Provisions relating to the secondary market in Italy**

Investors should also note that, in any subsequent distribution of the Notes in the Republic of Italy, Article 100-bis of Decree No. 58 may require compliance with the law relating to public offers of securities. Furthermore, where the Notes are placed solely with qualified investors and are then systematically resold on the secondary market at any time in the 12 months following such placing, purchasers of Notes who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and, in addition, to claim damages from any authorised person at whose premises the Notes were purchased, unless an exemption provided for under Decree No. 58 applies.

### **REPUBLIC OF FRANCE**

Each Dealer has represented and agreed, and each further Dealer under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, directly or indirectly, Notes to the public in France and that offers and sales of Notes in France will be made only to providers of investment services relating to portfolio management for the account of third parties and/or to qualified investors (*‘investisseurs qualifiés’*), as defined in Articles L.411-2 and D.411-1 to D.411-3 of the French Code monétaire et financier, but excluding individuals referred to in Article D.411-1 II 2°.

In addition, each Dealer has represented and agreed, and each further Dealer under the Programme will be required to represent and agree, that it has not distributed or caused to be distributed and will not distribute or cause to be distributed in France this Base Prospectus or any other offering material relating to the Notes other than to investors to whom offers and sales of Notes in France may be made as described above.

### **SPAIN**

Each Dealer has represented and agreed, and each further Dealer under the Programme will be required to represent and agree, that it has only made and will only make an offer of the Notes to the public (*‘oferta pública’*) in Spain in the period beginning on the date of notification of the approval of this Base Prospectus in relation to the Notes by the AFM in The Netherlands to the *‘Comisión Nacional del Mercado de Valores’* (‘CNMV’) in Spain, in accordance with the Spanish Securities Market Act (*‘Ley 24/1988 de 28 de julio, del Mercado de Valores’*), as amended (the “**LMV**”), Royal Decree 1310/2005, of 4 November, developing partially the Spanish Securities Market Law as regards admission to listing on official secondary markets, public offers and the prospectus required thereto and the regulations made thereunder, and ending at the latest on the date which is 12 months after the date of the approval of this Base Prospectus.

The Notes may not be offered or sold in Spain other than by institutions authorised under the LMV and Royal Decree 217/2008, of 15 February, on the legal regime applicable to investment services companies, to provide investment services in Spain, and in compliance with the provisions of the LMV and any other applicable legislation.

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## General Information

1. The establishment of the Programme was authorised by the Executive Board of the Issuer on 29 November 1993, pursuant to the authorisation of the Supervisory Board of the Issuer of 12 November 1993; the increase of the Programme amount to NLG 10,000,000,000 was authorised by the Executive Board on 19 July 1995; pursuant to the authorisation of the Supervisory Board of 28 June 1995; a subsequent increase of the Programme amount to NLG 20,000,000,000 was authorised by the Executive Board on 25 March 1996; pursuant to the authorisation of the Supervisory Board of 18 March 1996; a subsequent increase of the Programme amount to NLG 30,000,000,000 was authorised by the Executive Board on 7 July 1997, pursuant to the authorisation of the Supervisory Board of 4 July 1997; a subsequent increase of the Programme amount to NLG 40,000,000,000 was authorised by the Executive Board on 10 February 1998, pursuant to the authorisation of the Supervisory Board of 19 December 1997; a subsequent increase of the Programme amount to NLG 50,000,000,000 was authorised by the Executive Board on 7 September 1998, pursuant to the authorisation of the Supervisory Board of 4 September 1998; on 21 December 1998, the Executive Board, pursuant to the authorisation of the Supervisory Board of 18 December 1998, resolved to denominate the Programme in Euro and to increase the Programme amount at any time to Euro 50,000,000,000, on 2 December 2002, the Executive Board, pursuant to the authorisation of the Supervisory Board of 29 November 2002, resolved to increase the Programme amount to EUR 60,000,000,000, on 1 December 2003, the Executive Board, pursuant to the authorisation of the Supervisory Board of 28 November 2003, resolved to increase the Programme amount to EUR 70,000,000,000 and on 11 March 2008, the Executive Board, pursuant to the authorisation of the Supervisory Board of 2 December 2005, resolved to increase the Programme amount to EUR 80,000,000,000 (or its equivalent in other currencies). Each issue of Notes under the Programme requires a separate resolution of the Executive Board to be passed prior to the date of issue of such Notes.
2. There are not and have not been any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months before the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer and its subsidiaries taken as a whole.
3. There has been no material adverse change in the prospects of the Issuer since 31 December 2008, nor has there been any significant change in the financial or trading position of the Issuer or its subsidiaries, taken as a whole, which has occurred since 31 December 2008.
4. Application may be made to list Notes issued under the Programme on the regulated market of the Luxembourg Stock Exchange. A notice relating to the issue (*'Notice Légale'*) as well as the Articles of Association (*'statuten'*) of the Issuer will be lodged with the Registre de Commerce et des Sociétés à Luxembourg where such documents may be examined and copies obtained. The Luxembourg Stock Exchange has allocated to the Programme no. 2286 for listing purposes.
5. Application may be made to list Notes issued under the Programme on Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext Amsterdam N.V.
6. The financial statements of the Issuer have been audited for the two financial years preceding the date of this Base Prospectus by Ernst & Young Accountants LLP, chartered accountants (*'registeraccountants'*), and unqualified opinions have been reported thereon. Ernst & Young Accountants LLP is located in Amsterdam at the Antonio Vivaldistraat 150 (1083 HP), The Netherlands. The auditors (registeraccountants) of Ernst & Young Accountants LLP are members of the Netherlands Institute of Registeraccountants (NIVRA).

The auditor's report in respect of the financial statements for the years ended 31 December 2008 and 31 December 2007 (incorporated by reference), and the auditor's report as included on page 67 are included in the form and context in which they appear with the consent of Ernst & Young Accountants LLP, who have authorized the inclusion of these auditor's reports.
7. For the life of the Base Prospectus and for so long as any Notes are outstanding, copies and, where appropriate, English translations of the following documents may be inspected to the extent available at the website of BNG (<http://www.bng.com>) or alternatively during normal business hours at the specified office of the Paying Agent in Breda, London and Luxembourg, and be obtained free of charge, namely:

- (a) the Deed of Incorporation and the Articles of Association ('*statuten*') of the Issuer;
  - (b) the Issuing and Paying Agency Agreement (as amended);
  - (c) the audited financial statements for the two financial years preceding the date of the Base Prospectus and the latest audited financial statements and unaudited semi-annual financial statements of the Issuer;
  - (d) a copy of this Base Prospectus and any further prospectus or prospectus supplement prepared by the Issuer for the purpose of updating or amending any information contained herein or therein;
  - (e) each Final Terms in relation to listed issues of Notes;
  - (f) any press releases that are published in relation to the Issuer or to issues of Notes.
8. The Issuer has no patents, licenses or agreements which are of significance to its business activities or its profit.



**ISSUER**

N.V. Bank Nederlandse Gemeenten  
Koninginnegracht 2  
2514 AA The Hague  
The Netherlands

**ARRANGER**

UBS Limited  
1 Finsbury Avenue  
London EC2M 2PP  
England

**PRINCIPAL DEALERS**

N.V. Bank Nederlandse Gemeenten  
Koninginnegracht 2  
2514 AA The Hague  
The Netherlands

BNP PARIBAS  
10 Harewood Avenue  
London NW1 6AA  
England

Coöperatieve Centrale  
Raiffeisen-Boerenleenbank B.A.  
(Rabobank International)  
Croeselaan 18  
3521 CB Utrecht  
The Netherlands

Commerzbank Aktiengesellschaft  
Kaiserstrasse 16 (Kaiserplatz)  
60311 Frankfurt am Main  
Federal Republic of Germany

Goldman Sachs International  
Peterborough Court  
133 Fleet Street  
London EC4A 2BB  
England

J.P. Morgan Securities Ltd.  
125 London Wall  
London EC2Y 5AJ  
England

Mizuho International plc  
Bracken House  
One Friday Street  
London EC4M 9JA  
England

Royal Bank of Canada Europe Limited  
71 Queen Victoria Street  
London EC4V 4DE  
England

Barclays Bank PLC  
5 The North Colonnade  
Canary Wharf, London  
London E14 4BB England

Citigroup Global Markets Limited  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
England

Credit Suisse Securities (Europe) Limited  
One Cabot Square  
London E14 4QJ  
England

Deutsche Bank AG, London Branch  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
England

ING Bank N.V.  
Foppingadreef 7  
1102 BD Amsterdam  
The Netherlands

Merrill Lynch International  
Merrill Lynch Financial Centre  
2 King Edward Street  
London EC1A 1HQ  
England

Nomura International plc  
Nomura House  
1 St Martin's-le-Grand  
London EC1A 4NP  
England

The Royal Bank of Scotland plc  
135 Bishopsgate  
London EC2M 3UR  
England

The Toronto-Dominion Bank  
Triton Court, 14/18 Finsbury Square  
London, EC2A 1DB  
England

UBS Limited  
1 Finsbury Avenue  
London EC2M 2PP  
England

**REGISTRATION AGENT**

UBS AG  
Bahnhofstrasse 45  
8098 Zurich  
Switzerland

**SWISS DEALERS**

BNP Paribas Suisse SA  
2 Place de Hollande  
1204 Geneva  
Switzerland

Credit Suisse  
Paradeplatz 8  
8001 Zurich  
Switzerland

Deutsche Bank Aktiengesellschaft,  
Frankfurt am Main, Zurich Branch  
Uraniastrasse 9  
CH-8021 Zurich  
Switzerland

Goldman Sachs Bank AG  
Münsterhof 4  
8001 Zurich  
Switzerland

UBS AG  
Bahnhofstrasse 45  
8098 Zurich  
Switzerland

**ISSUING AND PAYING AGENT**

Deutsche Bank AG, London Branch  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
England

**PAYING AGENTS**

ABN AMRO Bank N.V.  
Kemelstede 2  
4817 ST Breda  
The Netherlands

Deutsche Bank Luxembourg S.A.  
2, Boulevard Konrad Adenauer  
L-1115 Luxembourg

**LUXEMBOURG STOCK EXCHANGE LISTING AGENT**

Deutsche Bank Luxembourg S.A.  
2, Boulevard Konrad Adenauer  
L-1115 Luxembourg

**LEGAL ADVISERS**

**To the Issuer**  
**As to Dutch law**  
NautaDutilh N.V.  
Strawinskylaan 1999  
1077 XV Amsterdam  
The Netherlands

**To the Dealers**  
Clifford Chance LLP  
10 Upper Bank Street  
London E14 5JJ  
England

**To the Dealers**  
**As to Dutch law**  
Clifford Chance LLP  
Droogbak 1A  
1013 GE Amsterdam  
The Netherlands

**AUDITOR**

Ernst & Young Accountants LLP  
Antonio Vivaldistraat 150  
1083 HP Amsterdam  
The Netherlands